

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

FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA

December 31, 2017

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

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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 groups of the City of Burlington, in the County of Burlington, State of New Jersey (the “City”), as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively 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, 2017, 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, 2017, 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.

Report on Summarized Comparative Information

We have previously audited the City's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 30, 2017, 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, 2016, 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 collectively 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 supplemental information as listed in the table of contents has not been subject 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 by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018, 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 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

June 29, 2018

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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash -- Treasurer	SA-1	\$ 5,045,019.72	\$ 3,578,727.79
Cash -- Collector	SA-2	810,102.81	602,650.47
Cash -- Change Fund	SA-3	<u>750.00</u>	<u>750.00</u>
		<u>5,855,872.53</u>	<u>4,182,128.26</u>
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	SA-4	892,787.95	811,834.15
Tax Title Liens Receivable	SA-5	699,741.39	587,970.28
Property Acquired for Taxes--Assessed Valuation		1,428,950.00	1,428,950.00
Mortgages Receivable		45,713.38	45,713.38
Life Loans Receivable		4,250.00	4,250.00
Mortgages Receivable - High Street		224,080.80	209,421.31
Revenue Accounts Receivable	SA-7	47,265.51	73,480.20
Due from Federal and State Grant Fund	SA-17	1,285.72	10.86
Due from Dog License Fund	B	2,242.90	1,136.90
Due from Other Trust	B	51,818.00	
Due from Trust Assessment Fund	B	<u>1,732.10</u>	<u>1,732.10</u>
	A	<u>3,399,867.75</u>	<u>3,164,499.18</u>
Total Regular Fund		<u>9,255,740.28</u>	<u>7,346,627.44</u>
Federal and State Grant Fund:			
Cash	SA-1	68,220.52	66,672.35
Federal and State Grants Receivable	SA-14	<u>675,099.38</u>	<u>108,845.64</u>
Total Federal and State Grant Fund		<u>743,319.90</u>	<u>175,517.99</u>
Total Assets		<u>\$ 9,999,060.18</u>	<u>\$ 7,522,145.43</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, 2017 and 2016

LIABILITIES, RESERVES
AND FUND BALANCE

Regular Fund:

Liabilities:

Appropriations Reserves	A-3	\$ 1,277,928.61	\$ 1,197,141.30
Reserve for Encumbrances	A-3	261,101.86	209,069.41
Accounts Payable	SA-8	2,065.00	15,216.75
Due State of New Jersey -- Senior Citizens & Veterans Deductions	SA-6	119,466.57	115,169.31
Due State of New Jersey -- Marriage License Fees		1,875.00	1,150.00
Due State of New Jersey -- Domestic Partnership Fees		75.00	75.00
Due State of New Jersey -- Burial Permit Fees		145.00	140.00
Due County for Added and Omitted Taxes	SA-12	7,007.15	5,256.73
Tax Overpayments	SA-10		
Prepaid Taxes	SA-2	326,065.47	185,564.66
Reserve for Tax Appeals Pending State Division of Tax Appeals	SA-13	75,000.00	75,000.00

2,070,729.66 1,803,783.16

Reserves for Receivables and Other Assets	A	3,399,867.75	3,164,499.18
Fund Balance	A-1	3,785,142.87	2,378,345.10

Total Regular Fund 9,255,740.28 7,346,627.44

Federal and State Grant Fund:

Reserve for Federal and State Grants Appropriated	SA-15	553,684.48	163,596.72
Reserve for Federal and State Grants Unappropriated	SA-16	1,874.27	11,910.41
Reserve for Encumbrances	SA-15	184,385.43	
Due to Current Fund	SA-17	1,285.72	10.86
Due to Trust Other Fund	SA-1	2,090.00	

Total Federal and State Grant Fund 743,319.90 175,517.99

Total Liabilities, Reserves and Fund Balance \$ 9,999,060.18 \$ 7,522,145.43

**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, 2017 and 2016

<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Fund Balance Utilized	\$ 2,000,000.00	\$ 1,800,000.00
Miscellaneous Revenue Anticipated	7,616,637.31	7,150,986.14
Receipts from Delinquent Taxes	834,084.56	768,745.21
Receipts from Current Taxes	21,418,238.94	21,065,714.57
Non-Budget Revenue	1,975,067.30	331,440.51
Other Credits to Income:		
Tax Overpayments Canceled	0.24	0.07
Statutory Excess in Reserve for Dog Fund Expenditures	2,242.90	884.02
Accounts Payable Canceled	14,253.26	
Interfunds Returned	1,147.76	1,377.99
Unexpended Balance of Appropriation Reserves	881,731.54	996,612.87
	<u>34,743,403.81</u>	<u>32,115,761.38</u>
Total Income		
	<u>34,743,403.81</u>	<u>32,115,761.38</u>
 <u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	6,602,202.78	6,383,599.53
Other Expenses	7,009,985.98	6,932,775.62
Deferred Charges and Statutory Expenditures Within "CAPS"	1,386,507.00	1,386,551.00
Operations Excluded from "CAPS":		
Other Expenses	821,936.33	186,200.46
Capital Improvements--Excluded from "CAPS"	12,000.00	200,000.00
Municipal Debt Service--Excluded from "CAPS"	1,175,122.50	1,087,397.85
Deferred Charges--Municipal--Excluded from "CAPS"		79,163.15
County Taxes	2,588,716.05	2,641,139.48
County's Share of Added and Omitted Taxes	7,007.15	5,256.73
Local District School Tax	11,672,961.00	11,328,344.00
Reserve for Tax Appeals Pending State Division of Tax Appeals		72,893.67
Refund of Prior Year Revenue		
Grants Receivable Canceled	1,070.63	
Creation of Interfunds and Other Assets	55,346.62	894.88
Prior Year Senior Citizens' Deduction Disallowed	3,750.00	1,988.35
	<u>31,336,606.04</u>	<u>30,306,204.72</u>
Total Expenditures		
	<u>31,336,606.04</u>	<u>30,306,204.72</u>
 Statutory Excess to Fund Balance	3,406,797.77	1,809,556.66
 <u>Fund Balance</u>		
Balance January 1	<u>2,378,345.10</u>	<u>2,368,788.44</u>
	5,785,142.87	4,178,345.10
Decreased by:		
Utilization as Anticipated Revenue	<u>2,000,000.00</u>	<u>1,800,000.00</u>
Balance December 31	<u>\$ 3,785,142.87</u>	<u>\$ 2,378,345.10</u>

See notes to financial statements.

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

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Years Ended December 31, 2017 and 2016

	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		41,378.00	\$ 1,378.00
Fees and Permits	195,000.00		326,933.66	131,933.66
Fines and Costs:				
Municipal Court	360,000.00		373,599.97	13,599.97
Interests and Costs on Taxes	140,000.00		173,030.29	33,030.29
Interest on Investments and Deposits	25,000.00		67,959.28	42,959.28
Anticipated Lease Revenues	440,000.00		420,448.11	(19,551.89)
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	82,000.00		108,567.54	26,567.54
Special Items of Revenue Anticipated				
Uniform Fire Safety Act	20,000.00		18,747.63	(1,252.37)
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		\$ 21,654.63	21,654.63	
Municipal Alliance on Alcoholism and Drug Abuse	13,574.00		13,574.00	
Body Armor Replacement Fund	3,066.36	3,151.39	6,217.75	
Bulletproof Vest Grant			0.00	
Recycling Tonnage Grant	12,912.39	9,935.06	22,847.45	
Emergency Management Assistance Fund	7,000.00		7,000.00	
Small Cities Community Development Block Grant - Housing Rehab	175,000.00		175,000.00	
Small Cities Public Facilities (Levee)	400,000.00		400,000.00	
Pedestrian Safety Education Mobilization Grant		11,000.00	11,000.00	
Drive Sober or Get Pulled Over		5,500.00	5,500.00	
Detective Tarentino Community Policing Grant		9,999.00	9,999.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items				
Anticipated Sewer Operating Surplus	48,250.00			(48,250.00)
Total Miscellaneous Revenues	<u>7,374,982.75</u>	<u>61,240.08</u>	<u>7,616,637.31</u>	<u>180,414.48</u>
Receipts from Delinquent Taxes	550,000.00		834,084.56	284,084.56
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	8,195,925.44		8,323,948.42	128,022.98
Budget Totals	18,120,908.19	61,240.08	18,774,670.29	592,522.02
Non Budget Revenues			1,975,067.30	1,975,067.30
	<u>\$ 18,120,908.19</u>	<u>\$ 61,240.08</u>	<u>\$ 20,749,737.59</u>	<u>\$ 2,567,589.32</u>

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

A-2

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

Year Ended December 31, 2017

Analysis of Realized Revenues

Allocation of Current Tax Collections

Received from Collections	\$ 21,418,238.94
Allocated to:	
Local School and County Taxes	<u>14,268,684.20</u>
Balance for Support of Municipal Budget Appropriations	7,149,554.74
Add: Appropriation "Reserve for Uncollected Taxes"	1,174,393.68
Less: Reserve for Tax Appeals Pending State Division of Tax Appeals	<u> </u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 8,323,948.42</u>
Receipts for Delinquent Taxes:	
Delinquent Tax Collections	\$ 747,302.43
Tax Title Lien Collections	<u>86,782.13</u>
	<u>\$ 834,084.56</u>

Fees and Permits

City Clerk	\$ 10,361.95
Board of Health	19,107.00
Police	3,317.62
Zoning and Planning Board	4,425.00
Code Inspection Office	235,505.00
Construction Code Official	30.00
Public Works	
Recreation	30,565.09
Bureau of Fire Protection	23,814.00
Lyceum Hall	300.00
Mayor - Weddings	
Tax Collector	<u>120.00</u>
	327,545.66
Less - Refunds of Current Year Revenue	<u>612.00</u>
	<u>\$ 326,933.66</u>

Non-Budget Revenues

Treasurer:	
Cable Television Franchise Fees	\$ 32,516.02
State - Administrative Fee - Senior Citizens and Vets	1,826.56
Payment in Lieu of Taxes	36,338.00
Local Share of Court Reg/Inspection Fees	13,402.09
Sale of City Property	1,680,000.00
Administrative Fees for Outside Police Employment	63,375.00
Miscellaneous	<u>24,621.46</u>
	\$ 1,852,079.13
Due From Trust Account - Reimbursement for School Resource Officer	51,818.00
Local Share of Grant Cancelled	<u> </u>
	1,903,897.13
Less - Refunds of Current Year Revenue	<u> </u>
	1,903,897.13
Tax Collector	<u>71,170.17</u>
	<u>\$ 1,975,067.30</u>

See notes to financial statements.

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

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations--Within "CAPS":						
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages	\$ 267,376.20	\$ 267,376.20	\$ 260,168.25		\$ 7,207.95	
Other Expenses	29,268.72	29,268.72	25,840.24	\$ 1,016.90	2,411.58	
Mayor and Council:						
Salaries and Wages	26,170.61	26,170.61	24,635.78		1,534.83	
Other Expenses	11,811.80	11,811.80	5,061.78	551.72	6,198.30	
Municipal Clerk:						
Salaries and Wages	137,446.40	137,446.40	137,049.90		396.50	
Other Expenses	54,142.53	54,142.53	33,263.51	2,197.37	18,681.65	
Financial Administration:						
Salaries and Wages	185,077.10	185,077.10	185,045.81		31.29	
Other Expenses	25,667.66	25,667.66	20,754.49	1,848.66	3,064.51	
Audit Services:						
Other Expenses	30,680.00	30,680.00	28,148.89		2,531.11	
Tax Collection:						
Salaries and Wages	177,100.30	177,100.30	175,142.35		1,957.95	
Other Expenses	13,806.00	13,806.00	11,439.50	297.47	2,069.03	
Tax Assessment Administration:						
Salaries and Wages	70,200.00	70,200.00	70,049.65		150.35	
Other Expenses	19,880.00	19,880.00	5,744.64	1,411.54	12,723.82	
Legal Services:						
Other Expenses	175,259.50	175,259.50	144,466.25	19,713.44	11,079.81	
Engineering Services and Costs:						
Other Expenses	60,000.00	60,000.00	52,033.09	7,966.91		
Economic Development:						
Other Expenses	79,750.00	79,750.00	70,683.93		9,066.07	
Office of Programs Coordinator:						
Salaries and Wages	75,600.00	45,600.00	37,789.01		7,810.99	
Other Expenses	30,000.00	50,000.00	18,498.50	1,848.59	29,652.91	
Historic Commission:						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Other Expenses	21,825.00	21,825.00	17,689.66	1,423.16	2,712.18	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	11,000.00	11,000.00	10,241.94		758.06	
Other Expenses	37,065.00	37,065.00	27,190.56	7,539.97	2,334.47	
CODE ENFORCEMENT AND ADMINISTRATION:						
Inspection of Buildings:						
Salaries and Wages	37,840.00	37,840.00	36,871.10		968.90	
Other Expenses	181,675.00	159,675.00	22,548.39	1,579.13	135,547.48	
Inspection of Plumbing:						
Other Expenses	25,000.00	25,000.00	8,860.73	14,139.27	2,000.00	
Inspection of Electrical:						
Other Expenses	30,000.00	30,000.00	16,492.90	8,507.10	5,000.00	
Housing Code Inspections:						
Other Expenses	17,000.00	17,000.00	9,995.90	435.60	6,568.50	
Rental Unit Inspections:						
Salaries and Wages	164,760.00	164,760.00	148,299.01		16,460.99	
Other Expenses	9,100.00	9,100.00	2,773.57	842.94	5,483.49	
INSURANCE:						
Liability Insurance	302,335.29	302,335.29	300,610.25		1,725.04	
Workers Compensation Insurance	276,395.35	276,395.35	276,395.35			
Employee Group Insurance	2,622,395.88	2,622,395.88	2,204,065.23		418,330.65	
Employee Group Insurance - Waivers	11,700.00	13,700.00	12,800.00		900.00	
Unemployment Insurance	75,000.00	55,000.00	34,980.39		20,019.61	
PUBLIC SAFETY:						
Police:						
Salaries and Wages	4,366,794.00	4,366,794.00	4,198,929.63		167,864.37	
Other Expenses	284,220.00	284,220.00	230,109.51	43,380.72	10,729.77	
Emergency Management Services:						
Salaries and Wages	11,500.00	11,500.00	10,750.00		750.00	
Other Expenses	7,500.00	7,500.00	3,225.73	3,519.78	754.49	
Aid to Volunteer Fire Companies	48,000.00	48,000.00	48,000.00			
Aid to Volunteer Ambulance Companies:						
Endeavor Emergency Squad	51,500.00	51,500.00	51,500.00			
Fire Department:						
Salaries and Wages	25,925.00	25,925.00	24,354.92		1,570.08	
Miscellaneous Other Expenses	170,000.00	170,000.00	143,375.64	20,589.15	6,035.21	
Uniform Fire Safety Act (P.L. 1983, Fire Official:						
Salaries and Wages	77,400.00	77,400.00	77,300.86		99.14	
Other Expenses	2,717.00	2,717.00	1,675.50	987.00	54.50	
Municipal Prosecutor:						
Other Expenses	31,200.00	31,200.00	28,200.00	2,400.00	600.00	
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages	323,160.00	323,160.00	295,526.96		27,633.04	
Other Expenses	119,350.00	119,350.00	39,020.07	30,454.26	49,875.67	
Other Public Works Functions:						
Salaries and Wages	83,400.00	83,400.00	79,403.16		3,996.84	
Other Expenses	19,950.00	19,950.00	5,614.87	1,963.96	12,371.17	
Solid Waste Collection:						
Other Expenses	270,600.00	270,600.00	258,391.39	8,390.72	3,817.89	
Buildings and Grounds:						
Salaries and Wages	104,093.97	104,093.97	104,084.57		9.40	
Other Expenses	103,811.25	103,811.25	74,962.61	20,154.07	8,694.57	
Vehicle Maintenance:						
Salaries and Wages	120,879.20	120,879.20	111,567.88		9,311.32	
Other Expenses	100,000.00	115,000.00	82,368.39	31,226.62	1,404.99	

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

A-3

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

Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Board of Health:						
Salaries and Wages	20,000.00	20,000.00	15,833.46		4,166.54	
Other Expenses	2,000.00	2,000.00	1,921.12		78.88	
Animal Control Officer:						
Other Expenses	10,000.00	25,000.00	15,470.00	3,636.20	5,893.80	
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages	117,280.00	117,280.00	100,154.16		17,125.84	
Other Expenses	64,500.00	64,500.00	56,271.37	6,507.95	1,720.68	
Operations of Boat Ramp:						
Other Expenses	2,400.00	2,400.00	1,298.42	83.00	1,018.58	
Maintenance of Parks:						
Salaries and Wages	46,200.00	46,200.00	21,865.23		24,334.77	
Other Expenses	27,400.00	27,400.00	21,157.37	222.46	6,020.17	
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation	10,000.00	10,000.00			10,000.00	
Celebration of Public Events:						
Salaries and Wages	168,000.00	168,000.00	167,678.84		321.16	
Other Expenses	57,080.00	57,080.00	54,217.35	1,876.67	985.98	
Municipal Court:						
Other Expenses	403,000.00	403,000.00	400,589.73		2,410.27	
Public Defender:						
Other Expenses	8,500.00	8,500.00	2,500.00		6,000.00	
UTILITY EXPENSES:						
Electricity and Natural Gas	512,000.00	512,000.00	467,670.56	6,350.00	37,979.44	
Telecommunications	55,000.00	55,000.00	46,900.45	1,655.49	6,444.06	
Petroleum Products	100,000.00	100,000.00	64,803.98		35,196.02	
Fire Hydrant Service	40,000.00	40,000.00	40,000.00			
LANDFILL/SOLID WASTE DISPOSAL:						
Landfill/Solid Waste Disposal Costs	354,000.00	369,000.00	336,308.20	3,422.04	29,269.76	
Total Operations Within "CAPS"	13,616,688.76	13,611,688.76	12,123,632.48	258,139.86	1,229,916.42	
CONTINGENT	500.00	500.00	100.00		400.00	
Total Operations Including Contingent - Within "CAPS"	13,617,188.76	13,612,188.76	12,123,732.48	258,139.86	1,230,316.42	
Detail:						
Salaries and Wages	6,632,202.78	6,602,202.78	6,297,742.47		304,460.31	
Other Expenses	6,984,985.98	7,009,985.98	5,825,990.01	258,139.86	925,856.11	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
DEFERRED CHARGES:						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement System	322,237.00	322,237.00	317,237.00		5,000.00	
Social Security System (O.A.S.I.)	310,000.00	310,000.00	282,353.88		27,646.12	
Police and Firemen's Retirement System of NJ	736,270.00	736,270.00	736,270.00			
Defined Contribution Retirement Program	13,000.00	18,000.00	15,240.47		2,759.53	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,381,507.00	1,386,507.00	1,351,101.35		35,405.65	
Total General Appropriations for Municipal Purposes Within "CAPS"	14,998,695.76	14,998,695.76	13,474,833.83	258,139.86	1,265,722.07	

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

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

Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS - EXCLUDED FROM "CAPS"						
OTHER OPERATIONS:						
Aid to Library (NJSA 40:54-35):						
Other Expenses	65,000.00	65,000.00	65,000.00			
Recycling Tax	15,000.00	15,000.00	11,831.46		3,168.54	
Employee Group Insurance						
Public and Private Programs Offset with Revenues:						
Clean Community Program		21,654.63	21,654.63			
Recycling Tonnage	12,912.39	22,847.45	22,847.45			
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			
Reserve for Drunk Driving Enforcement Fund		0.00				
Body Armor Replacement Fund	3,066.36	6,217.75	6,217.75			
Emergency Management Assistance Grant	7,000.00	7,000.00	7,000.00			
Small Cities CDBG - Public Facilities (Levee Improvements)	400,000.00	400,000.00	400,000.00			
Small Cities CDBG - Public Facilities (Levee Impr) - Local Match	48,250.00	48,250.00	48,250.00			
Small Cities CDBG - Housing	175,000.00	175,000.00	175,000.00			
Small Cities CDBG - Housing (Local Match)	17,500.00	17,500.00	17,500.00			
Pedestrian Safety, Education & Enforcement		11,000.00	11,000.00			
Drive Sober or Get Pulled Over		5,500.00	5,500.00			
Detective Tarentino Community Policing Grant		9,999.00	9,999.00			
Total Operations - Excluded from "CAPS"	760,696.25	821,936.33	818,767.79		3,168.54	
Detail:						
Salaries and Wages	-					
Other Expenses	760,696.25	821,936.33	818,767.79		3,168.54	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund						
Installation of Customer Window in Code Office	12,000.00	12,000.00		2,962.00	9,038.00	
Total Capital Improvements - Excluded From "CAPS"	12,000.00	12,000.00		2,962.00	9,038.00	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	327,000.00	327,000.00	327,000.00			
Interest on Bonds	96,600.00	96,600.00	96,600.00			
Payment of Bond Anticipation Notes and Capital Notes	616,000.00	616,000.00	616,000.00			
Interest on Bond Anticipation Notes	135,522.50	135,522.50	135,522.50			
Interest on Special Emergency Notes						
Total Municipal Debt Service - Excluded from "CAPS"	1,175,122.50	1,175,122.50	1,175,122.50			
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:						
Memorial Lot Paving, Copier, Tennis, Roads (03/06/12)						
Police Surveillance System (07/01/14)						
Acq. Of Self-Contained Breathing Apparatus (07/21/15)						
Total Deferred Charges - Municipal - Excluded from "CAPS"						
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,947,818.75	2,009,058.83	1,993,890.29	2,962.00	12,206.54	
Total General Appropriations - Excluded from "CAPS"	1,947,818.75	2,009,058.83	1,993,890.29	2,962.00	12,206.54	
Subtotal General Appropriations	16,946,514.51	17,007,754.59	15,468,724.12	261,101.86	1,277,928.61	
Reserve for Uncollected Taxes	1,174,393.68	1,174,393.68	1,174,393.68			
Total General Appropriations	\$ 18,120,908.19	\$ 18,182,148.27	\$ 16,643,117.80	\$ 261,101.86	\$ 1,277,928.61	\$ -
Original Budget		\$ 18,120,908.19				
Appropriation by 40A:4-53						
Appropriation by 40A:4-87		61,240.08				
		\$ 18,182,148.27				
Reserve for Uncollected Taxes			\$ 1,174,393.68			
Reserve for Federal and State Grants			741,936.33			
Cash Disbursed in Grant Fund on behalf of Current Fund				14,726,787.79		
Cash Disbursed						
				\$ 16,643,117.80		

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

B

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

December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Assessment Trust Fund:			
Cash	B, 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>6,259.38</u>	<u>5,903.98</u>
Other Funds:			
Cash - Treasurer	SB-1	1,536,660.14	1,264,643.21
Cash - Collector	SB-2	349,100.00	394,400.00
Due From Payroll Agency		125,000.00	125,000.00
Due From Payroll Account		200,000.00	200,000.00
Due From Grant Fund	A	2,090.00	
Forgivable NSP Mortgage Receivable	B	175,548.99	178,635.00
Loans Receivable:			
UDAG - Economic Development Ordinance	SB-5	29,787.68	68,458.30
Due from Grant Fund	SB-1		
		<u>2,418,186.81</u>	<u>2,231,136.51</u>
		<u>\$ 2,426,996.99</u>	<u>\$ 2,239,591.29</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Trust Fund:			
Due to Current Fund	A, SB-3	\$ 1,732.10	\$ 1,732.10
Fund Balance	B	818.70	818.70
		<u>2,550.80</u>	<u>2,550.80</u>
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-4	4,016.48	4,767.08
Due to Current Fund	A, SB-4	2,242.90	1,136.90
		<u>6,259.38</u>	<u>5,903.98</u>
Other Funds:			
Due to Current Fund	A	51,818.00	
Reserve for:			
Forgivable NSP Mortgages Receivable	B	175,548.99	178,635.00
Title I UDGA Loans Receivable	SB-5	29,787.68	68,458.30
Community Development Act of 1974	SB-6	333,467.57	326,828.28
Miscellaneous Trust Fund Liabilities and Reserves	SB-7	1,827,564.57	1,657,214.93
		<u>2,418,186.81</u>	<u>2,231,136.51</u>
		<u>\$ 2,426,996.99</u>	<u>\$ 2,239,591.29</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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>Dec. 31, 2017</u>	<u>Dec. 31, 2016</u>
Cash	SC-1, SC-2	\$ 417,922.82	\$ 876,655.34
Due from State of New Jersey	SC-12	82,440.16	131,440.16
Deferred Charges To Future Taxation:			
Funded	SC-4	6,480,000.00	2,157,000.00
Unfunded	SC-5	4,785,744.78	9,448,194.78
		<u>\$ 11,766,107.76</u>	<u>\$ 12,613,290.28</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-10	\$ 6,480,000.00	\$ 2,157,000.00
Bond Anticipation Notes	SC-9	2,002,000.00	6,795,000.00
Improvement Authorizations:			
Funded	SC-6	492,255.40	487,255.40
Unfunded	SC-6	1,935,971.80	2,286,406.23
Reserve for Encumbrances	SC-7	629,720.66	637,436.23
Capital Improvement Fund	SC-8	51,264.10	91,714.10
Fund Balance	SC-3	174,895.80	158,478.32
		<u>\$ 11,766,107.76</u>	<u>\$ 12,613,290.28</u>

There were bonds and notes authorized but not issued on December 31, 2017, of \$2,783,744.78 and on December 31, 2016, of \$2,653,194.78.

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

D

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

December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Operating Fund:			
Cash - Treasurer	SD-1	\$ 637,893.23	\$ 382,272.97
Cash - Collector	SD-2	121,077.81	127,431.88
Change Funds - Collector	D	100.00	100.00
		<u>759,071.04</u>	<u>509,804.85</u>
Receivables With Full Reserves:			
Due from Claims Account			
Consumer Accounts Receivable	SD-4	368,082.70	334,766.68
Water Utility Liens Receivable	SD-5	31,068.02	12,497.61
	D	<u>399,150.72</u>	<u>347,264.29</u>
Deferred Charges - Emergency Appropriations		<u>7,000.00</u>	
Total Operating Fund		<u>1,165,221.76</u>	<u>857,069.14</u>
Assessment Trust Fund:			
Cash	D	<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	96,126.20	106,049.17
Fixed Capital	SD-6	13,754,535.75	13,754,535.75
Fixed Capital Authorized and Uncompleted	SD-7	4,930,000.00	1,330,000.00
Total Capital Fund		<u>18,780,661.95</u>	<u>15,190,584.92</u>
		<u>\$ 19,946,441.35</u>	<u>\$ 16,048,211.70</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, 2017 and 2016

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Operating Fund:			
Appropriation Reserves	D-3	\$ 173,978.37	\$ 97,216.41
Accounts Payable	SD-8	17,792.50	4,076.00
Encumbrances Payable	D-3, SD-9	117,216.64	76,289.41
Accrued Interest on Debt	SD-10	10,265.43	11,390.14
		<u>319,252.94</u>	<u>188,971.96</u>
Reserve for Receivables	D	399,150.72	347,264.29
Fund Balance	D-1	<u>446,818.10</u>	<u>320,832.89</u>
Total Operating Fund		<u>1,165,221.76</u>	<u>857,069.14</u>
Assessment Trust Fund:			
Fund Balance	D	<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-15	560,000.00	
Loans Payable			
Bond Anticipation Notes Payable	SD-16	256,000.00	1,014,000.00
Encumbrances	SD-11	13,141.09	18,423.59
Improvement Authorizations:			
Funded	SD-11		
Unfunded	SD-11	3,787,114.89	193,854.70
Capital Improvement Fund	SD-3	40,809.17	40,809.17
Reserve for Amortization	SD-13	13,620,535.75	13,553,535.75
Deferred Reserve for Amortization	SD-14	449,397.88	318,397.88
Fund Balance	SD-12	<u>53,663.17</u>	<u>51,563.83</u>
Total Capital Fund		<u>18,780,661.95</u>	<u>15,190,584.92</u>
		<u>\$ 19,946,441.35</u>	<u>\$ 16,048,211.70</u>

There were bonds and notes authorized but not issued on December 31, 2017, of \$3,798,602.12 and on December 31, 2016, of \$198,602.12, (SD-17).

**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, 2017 and 2016

<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Fund Balance Utilized	\$ 209,830.62	\$ 359,426.61
Water Utility Rents	2,157,660.61	1,998,990.59
Fire Hydrant Service	40,000.00	40,000.00
Miscellaneous Revenue Anticipated	97,151.55	91,074.20
Other Credits to Income:		
Accounts Payable Cancelled	4,076.00	
Unexpended Balance of Appropriation Reserves	93,026.63	20,500.97
	<u>2,601,745.41</u>	<u>2,509,992.37</u>
Total Income		
	<u>2,601,745.41</u>	<u>2,509,992.37</u>
 <u>Expenditures</u>		
Operating	1,990,707.62	1,944,333.73
Debt Service	217,098.96	218,711.93
Deferred Charges and Statutory Expenditures	65,123.00	71,092.88
Interfunds Created		
Refund of Prior Year Revenue		
	<u>2,272,929.58</u>	<u>2,234,138.54</u>
Total Expenditures		
	<u>2,272,929.58</u>	<u>2,234,138.54</u>
Statutory Excess to Fund Balance	328,815.83	275,853.83
Deficit in Operations		
	<u>328,815.83</u>	<u>275,853.83</u>
Adjustments to Income Before Surplus:		
Deferred Charge to be Raised in Budget of Succeeding Year	7,000.00	
	<u>7,000.00</u>	
 <u>Fund Balance</u>		
Balance, January 1	320,832.89	404,405.67
	656,648.72	680,259.50
Decreased by:		
Utilized as Anticipated Revenue	209,830.62	359,426.61
	<u>209,830.62</u>	<u>359,426.61</u>
Balance, December 31	<u>\$ 446,818.10</u>	<u>\$ 320,832.89</u>

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

D-2

**WATER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2017

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 209,830.62	\$ 209,830.62	
Rents	1,990,000.00	2,157,660.61	\$ 167,660.61
Fire Hydrant Service	40,000.00	40,000.00	
Miscellaneous Revenue Anticipated	<u>35,000.00</u>	<u>97,151.55</u>	<u>62,151.55</u>
 Budget Totals	 <u><u>\$ 2,274,830.62</u></u>	 <u><u>\$ 2,504,642.78</u></u>	 <u><u>\$ 229,812.16</u></u>

Analysis of Miscellaneous Revenue:

Treasurer:	
Interest Earnings on Deposits	\$ 4,573.51
Cell Tower Lease	58,114.04
Miscellaneous	1,661.50
Collector:	
Interest on Delinquent Accounts	30,649.46
Miscellaneous	2,153.04
Water Connections	
	<u><u>\$ 97,151.55</u></u>

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

D-3

**WATER UTILITY FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 840,888.97	\$ 840,888.97	\$ 770,560.56		\$ 70,328.41	
Other Expenses	1,149,818.65	1,149,818.65	935,103.59	\$ 117,216.64	97,498.42	
Total Operating	1,990,707.62	1,990,707.62	1,705,664.15	117,216.64	167,826.83	\$ -
Debt Service:						
Payment of Bond Principal						
Interest on Bonds		7,000.00	6,998.80			1.20
Payment of Bond Anticipation Notes and Capital Notes	198,000.00	198,000.00	198,000.00			
Interest on Bond Anticipation Notes	21,000.00	21,000.00	12,100.16			8,899.84
N.J. Environmental Infrastructure Trust:						
State of New Jersey Fund Loan:						
Payment of Principal						
State of New Jersey Trust Loan:						
Payment of Principal						
Payment of Interest						
Total Debt Service	219,000.00	226,000.00	217,098.96	-	-	8,901.04
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Cost of Improvement Authorizations:						
Improvements to Walnut St. Tank/Water Plant (2014)						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	9,123.00	9,123.00	9,123.00			
Social Security System (O.A.S.I.)	55,000.00	55,000.00	49,848.46		5,151.54	
Unemployment Compensation Insurance	1,000.00	1,000.00			1,000.00	
Total Deferred Charges and Statutory Expenditures	65,123.00	65,123.00	58,971.46		6,151.54	
Total Water Utility Appropriations	\$ 2,274,830.62	\$ 2,281,830.62	\$ 1,981,734.57	\$ 117,216.64	\$ 173,978.37	\$ 8,901.04
Accrued Interest on Debt:						
Interest on Bonds			\$ 6,998.80			
Interest on Loans						
Interest on Bond Anticipation Notes				12,100.16		
Disbursements				1,962,635.61		
			\$ 1,981,734.57			

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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Operating Fund:			
Cash - Treasurer	SE-1	\$ 3,225,589.99	\$ 3,138,433.93
Cash - Collector	SE-2	280,864.97	198,617.75
		<u>3,506,454.96</u>	<u>3,337,051.68</u>
Receivables With Full Reserves:			
Sewer Rents Receivable	SE-4	244,414.39	254,433.89
Sewer Liens Receivable	SE-5	31,225.88	15,233.80
	E	<u>275,640.27</u>	<u>269,667.69</u>
Total Operating Fund		<u>3,782,095.23</u>	<u>3,606,719.37</u>
Assessment Fund:			
Cash	SE-1	<u>1,364.97</u>	<u>1,364.97</u>
Capital Fund:			
Cash	SE-1, SE-3	44,596.07	375,884.90
Fixed Capital	SE-6	15,042,552.27	15,042,552.27
Fixed Capital Authorized and Uncompleted	SE-7	<u>12,012,384.00</u>	<u>10,752,384.00</u>
Total Capital Fund		<u>27,099,532.34</u>	<u>26,170,821.17</u>
Total Assets		<u>\$ 30,882,992.54</u>	<u>\$ 29,778,905.51</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, 2017 and 2016

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-3	\$ 453,138.54	\$ 447,970.20
Encumbrances Payable	E-3	152,740.00	256,561.15
Grant Appropriated Reserves - Small Cities Public Facilities			
Accrued Interest on Bonds and Loans	SE-9	49,867.15	55,839.27
Accounts Payable	SE-8	<u>12,000.00</u>	<u>383.28</u>
		<u>667,745.69</u>	<u>760,753.90</u>
Reserve for Receivables	E	275,640.27	269,667.69
Fund Balance	E-1	<u>2,838,709.27</u>	<u>2,576,297.78</u>
Total Operating Fund		<u>3,782,095.23</u>	<u>3,606,719.37</u>
Assessment Fund:			
Fund Balance	SE-1	<u>1,364.97</u>	<u>1,364.97</u>
Capital Fund:			
Serial Bonds Payable	SE-13	343,000.00	406,000.00
Fund Loan - N.J. Environmental Infrastructure Trust	SE-14	1,650,091.58	1,851,720.57
Trust Loan - N.J. Environmental Infrastructure Trust	SE-15	2,078,000.00	2,263,000.00
Bond Anticipation Notes Payable	SE-16	330,000.00	505,000.00
Improvement Authorizations:			
Funded	SE-10	260,569.07	260,569.07
Unfunded	SE-10	1,357,162.04	1,819,127.54
Encumbrances	SE-10	1,445,292.05	157,321.56
Reserve for Mitchell Avenue Pump Station		5,000.00	5,000.00
Capital Improvement Fund	SE-3	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	4,730,917.73	4,006,288.74
Capital Fund Balance	SE-17	<u>38,233.14</u>	<u>35,526.96</u>
Total Capital Fund		<u>27,099,532.34</u>	<u>26,170,821.17</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 30,882,992.54</u>	<u>\$ 29,778,905.51</u>

There were bonds and notes authorized but not issued on December 31, 2017, of \$3,371,207.54 and on December 31, 2016, of \$2,211,207.54, (SE-18).

**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, 2017 and 2016

<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Fund Balance Utilized	\$ 612,759.87	\$ 734,802.52
Sewer Rents	2,738,630.88	2,914,783.66
Miscellaneous Revenue	522,111.89	444,301.21
Other Credits to Income:		
Accounts Payable Cancelled	383.28	
Unexpended Balance of Appropriation Reserves	432,477.80	471,116.76
	<u>4,306,363.72</u>	<u>4,565,004.15</u>
Total Income	4,306,363.72	4,565,004.15
 <u>Expenditures</u>		
Operating	2,448,740.88	2,515,379.35
Capital Improvements		
Debt Service	757,951.48	736,885.84
Deferred Charges and Statutory Expenditures	224,500.00	223,180.17
Refund of Prior Year Revenue		
	<u>3,431,192.36</u>	<u>3,475,445.36</u>
Total Expenditures	3,431,192.36	3,475,445.36
 Statutory Excess to Fund Balance	<u>875,171.36</u>	<u>1,089,558.79</u>
 Adjustments to Income Before Surplus:		
Operating Deficit to be Raised in Budget of Succeeding Year		
 <u>Fund Balance</u>		
Balance January 1	<u>2,576,297.78</u>	<u>2,221,541.51</u>
	3,451,469.14	3,311,100.30
Decreased by:		
Utilized as Revenue	<u>612,759.87</u>	<u>734,802.52</u>
 Balance December 31	<u>\$ 2,838,709.27</u>	<u>\$ 2,576,297.78</u>

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

E-2

**SEWER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2017

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or Deficit</u>
Surplus Anticipated	\$ 612,759.87	612,759.87	
Rents	2,800,000.00	\$ 2,738,630.88	\$ (61,369.12)
Miscellaneous	<u>25,000.00</u>	<u>522,111.89</u>	<u>497,111.89</u>
Budget Totals	<u>\$ 3,437,759.87</u>	<u>\$ 3,873,502.64</u>	<u>\$ 435,742.77</u>

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits	20,528.63	
Sewer Connections	480,000.00	
Miscellaneous	<u> </u>	\$ 500,528.63

Collector:

Interest on Delinquent Rents	21,583.26	
Sewer Connections	<u>-</u>	<u>21,583.26</u>
		<u>\$ 522,111.89</u>

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

E-3

**SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 875,845.78	\$ 875,845.78	\$ 798,034.72		\$ 77,811.06	
Other Expenses	1,574,495.10	1,572,895.10	1,051,302.30	\$ 152,740.00	368,852.80	
Total Operating	<u>2,450,340.88</u>	<u>2,448,740.88</u>	<u>1,849,337.02</u>	<u>152,740.00</u>	<u>446,663.86</u>	<u>-</u>
Debt Service:						
Principal on Bonds	63,000.00	63,000.00	63,000.00			
Interest on Bonds	16,000.00	17,600.00	17,555.81			44.19
Principal on Bond Anticipation and Capital Notes	175,000.00	175,000.00	175,000.00			
Interest on Notes	11,000.00	11,000.00	8,610.23			2,389.77
NJ Environmental Infrastructure Trust:						
Fund Loan:						
Principal	201,628.99	201,628.99	201,628.99			
NJ Environmental Infrastructure Trust:						
Trust Loan:						
Principal	185,000.00	185,000.00	185,000.00			
Interest	111,290.00	111,290.00	107,156.45			4,133.55
Total Debt Service	<u>762,918.99</u>	<u>764,518.99</u>	<u>757,951.48</u>	<u>-</u>	<u>-</u>	<u>6,567.51</u>
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Cost of Improvement Authorization:						
Improvements to Sewer System (2007)	100,000.00	100,000.00	100,000.00			
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	70,500.00	70,500.00	70,500.00			
Social Security System (O.A.S.I.)	52,000.00	52,000.00	47,525.32		4,474.68	
N.J. Unemployment Compensation	2,000.00	2,000.00			2,000.00	
Total Deferred Charges and Statutory Expenditures	<u>224,500.00</u>	<u>224,500.00</u>	<u>218,025.32</u>	<u>-</u>	<u>6,474.68</u>	<u>-</u>
Surplus General Budget		0.00				
Grand Total	<u>\$ 3,437,759.87</u>	<u>\$ 3,437,759.87</u>	<u>\$ 2,825,313.82</u>	<u>\$ 152,740.00</u>	<u>\$ 453,138.54</u>	<u>\$ 6,567.51</u>
Accrued Interest on Bonds and Notes:						
Interest on Loans			\$ 107,156.45			
Interest on Bonds			17,555.81			
Interest on Bond Anticipation Notes			8,610.23			
Disbursed			2,691,991.33			
			<u>\$ 2,825,313.82</u>			

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, 2017 and 2016

	<u>2017</u>	<u>2016</u>
General Fixed Assets:		
Land, Buildings and Improvements	\$12,550,155.65	\$12,308,286.85
Property Held for Redevelopment	190,324.52	190,324.52
Furniture, Vehicles and Equipment	<u>7,525,916.84</u>	<u>7,510,447.84</u>
Total	<u>\$20,266,397.01</u>	<u>\$20,009,059.21</u>
Total Investment in General Fixed Assets	<u>\$20,266,397.01</u>	<u>\$20,009,059.21</u>

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

G

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

December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Cash	G-1	<u>\$ 405,027.69</u>	<u>\$ 465,097.62</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Payroll Taxes Payable	G-2	80,027.69	140,097.62
Due to Trust Other		<u>325,000.00</u>	<u>325,000.00</u>
		<u>\$ 405,027.69</u>	<u>\$ 465,097.62</u>

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

G-1

**PAYROLL ACCOUNT
STATEMENT OF TRUST CASH**

Year Ended December 31, 2017

Balance December 31, 2016		\$ 465,097.62
Increased by:		
Receipts		<u>9,707,626.67</u>
		10,172,724.29
Decreased by:		
Net Payroll and Payroll Agency		<u>9,767,696.60</u>
Balance December 31, 2017		<u><u>\$ 405,027.69</u></u>

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

G-2

**PAYROLL ACCOUNT
STATEMENT OF PAYROLL DEDUCTIONS PAYABLE**

Year Ended December 31, 2017

Balance December 31, 2016		\$ 140,097.62
Increased by:		
Net Payroll	5,035,622.85	
Payroll Deductions Payable	<u>4,672,003.82</u>	<u>9,707,626.67</u>
		9,847,724.29
Decreased by:		
Net Payroll	5,035,622.85	
Payroll Deductions Payable	<u>4,732,073.75</u>	<u>9,767,696.60</u>
Balance December 31, 2017		<u><u>\$ 80,027.69</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, 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 of Burlington 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 of Burlington had no component units as defined by Governmental Accounting Standards Board 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 "Division"). 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 of Burlington 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.

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.

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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 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.

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.

**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)

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 10th 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, 2017, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 13,048,052.66</u>
Total Deposits & Investments	<u><u>\$ 13,048,052.66</u></u>
Reconciliation of Cash	
Current	\$ 5,855,872.53
Federal and State Grants	68,220.52
Dog Trust	6,259.38
Other Trust	1,885,760.14
General Capital	417,922.82
Trust Assessment	818.70
Sewer	
Operating	3,506,454.96
Assessment	1,364.97
Capital	44,596.07
Water	
Operating	759,071.04
Assessment	557.64
Capital	96,126.20
Payroll	<u>405,027.69</u>
Total Reconciliation of Comparative Balance Sheets	<u><u>\$ 13,048,052.66</u></u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$13,049,230.65 at December 31, 2017. Of the bank balance \$250,000.00 was fully insured by the Federal Depository Insurance Corporation and \$12,799,230.65 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 of state law 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 government's 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 2017 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

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

NOTES TO FINANCIAL STATEMENTS

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 2015, 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 \$396,860 for 2017.

The employee contribution rate was 7.20% effective July 1, 2016, and increased to 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011, are being phased in over 7 years effective on each July 1 to bring the total pension contribution rate to 7.5% of base salary as of 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, 2017, the City's proportionate share of the PERS net pension liability is valued to be \$10,429,323. The net pension liability was measured as of June 30, 2017. 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, 2016, to the measurement date of June 30, 2017. 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, 2017. The City's proportion measured as of June 30, 2017, was .044803%, which was an increase of .00018% from its proportion measured as of June 30, 2016.

Balances at December 31, 2017 and December 2016

	<u>December 31, 2017</u> July 1, 2017	<u>December 31, 2016</u> July 1, 2016
Actuarial valuation date		
Net pension liability	\$ 10,429,323	\$ 13,215,574
City's portion of the plan's total net pension liability	0.04480%	0.04462%

For the year ended December 31, 2017, the City had an allocated pension expense of \$689,131.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2017
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	7.00%

Preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are setback 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 plan actuary's modified MP-2014 projection scale.

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

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

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

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments 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, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public 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%

D. PENSION (CONTINUED)

Public Employees’ Retirement System (“PERS”) (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. 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 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contribution 40% of the actuarially determine 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 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, 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 net pension liability calculated using the discount rate as disclosed above, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	<u>Decrease (4.00%)</u>	<u>Discount (5.00%)</u>	<u>Increase (6.00%)</u>
City's proportionate share of the net pension liability	\$ 10,325,030	\$ 10,429,323	\$ 10,533,616

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 State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, 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. 43:16A. 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.

D. PENSION (CONTINUED)

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

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 2015, 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 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 \$736,270 for 2017.

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.

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

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Net Pension Liability and Pension Expense - At December 31, 2017, the City's proportionate share of the PFRS net pension liability is valued to be \$12,594,723. The net pension liability was measured as of June 30, 2017. 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, 2016, to the measurement date of June 30, 2017. 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, 2017. The City's proportion measured as of June 30, 2017, was .08158%, which was a decrease of .00087% from its proportion measured as of June 30, 2016.

Collective balances at December 31, 2017 and 2016 are as follows:

	<u>December 31, 2017</u> July 1, 2017	<u>December 31, 2016</u> July 1, 2016
Actuarial valuation date		
Net pension liability	12,594,723	17,250,019
City's portion of the Plan's total net pension liability	0.08158%	0.09030%

For the year ended December 31, 2017, the City had an allocated pension expense of \$1,061,398.

Additionally, the State's proportionate share of the net pension liability attributable to the City is \$1,410,715 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. 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, 2016, to the measurement date of June 30, 2017. 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, 2017, was .00080%, which was a decrease of .0001% from its proportion measured as of June 30, 2016, which is the same proportion as the City's.

City's proportionate share of the net pension liability	\$ 12,594,723
State's proportionate share of the net pension liability associated with the Township	<u>1,410,715</u>
Total net pension liability	<u><u>\$ 14,005,438</u></u>

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

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

For the year ended December 31, 2017, the City's total allocated pension expense was \$172,562.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

	<u>PFRS</u>
Investment rate of return	7.00%
Salary increases Through 2026	2.10 - 8.98% 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 Pre-retirement Mortality Tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projected scales, which was further projected on a generational basis using the plan actuary's modified 2014 scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

The actuarial assumptions used in the July 1, 2016, 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, 2017) 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, 2017, are summarized in the following table:

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

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public 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 6.14% as of June 30, 2017. 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 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made on the average of the last five years of 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, 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 net pension liability calculated using the discount rate as disclosed above, as well as what the City's proportionate share of the 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)

	Decrease (5.14%)	Discount (6.14%)	Increase (7.14%)
City's proportionate share of the net pension liability	\$ 18,453,318	\$ 14,005,438	\$ 10,350,999

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, 2017 is \$15,240.47.

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

E. OTHER POST-EMPLOYMENT BENEFITS

State Health Benefits Plan Description

The City of Burlington contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. 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 drugs 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)

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 of Burlington 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 State of New Jersey Division of Pensions and Benefits 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 to the City of Burlington 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.

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

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The City of Burlington contributions to SHBP retirees for the years ended December 31, 2017, 2016 and 2015, were \$1,513,173, \$1,485,931 and \$1,382,354, respectively, which equaled the required contributions for each year. There were eighty-six eligible retired participants in 2017, ninety in 2016 and eighty-seven in 2015.

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 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, 2017, the estimated liability for accumulated leave is:

Vacation	\$ 402,923
Sick	1,171,629
Employer share of payroll taxes	<u>71,939</u>
Total	<u>\$ 1,646,491</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.

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

NOTES TO FINANCIAL STATEMENTS

H. FUND BALANCES APPROPRIATED

The 2017 Annual Budget anticipates utilizing \$2,000,000 of Fund Balance in the Current Fund. \$209,830.62 of the Water Utility Operating Fund is anticipated in support of the Water Utility Fund Budget. \$612,759.87 of the Sewer Utility Operating Fund is anticipated in support of the Sewer Utility Fund Budget.

I. JOINT INSURANCE POOL

The City of Burlington 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 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, 2016, 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:

<u>Year</u>	<u>City Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 19,979.11	\$ 19,910.55	\$ 121,899.03
2016	27,360.36	27,360.36	101,919.92
2015	9,496.18	24,213.34	101,919.92

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

NOTES TO FINANCIAL STATEMENTS

K. INTERFUNDS

The following interfunds remained as of December 31, 2017:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Current Fund	\$ 57,078.72	
State/Federal Grant Fund		\$ 3,375.72
Trust Assessment		1,732.10
Trust Other	327,090.00	51,818.00
Animal Control		2,242.90
Payroll Account		325,000.00
	<u> </u>	<u> </u>
Total	<u>\$ 384,168.72</u>	<u>\$ 384,168.72</u>

The purpose of these interfunds is short-term borrowings.

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 2017, 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. Inservco Insurance Services, Inc. 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, 2017, the balance of estimated payable was \$442,593, 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 2018 or future budgets.

M. SANITARY LANDFILL ESCROW CLOSURE FUND

The City of Burlington 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.

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

NOTES TO FINANCIAL STATEMENTS

M. SANITARY LANDFILL ESCROW CLOSURE FUND (CONTINUED)

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.

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, 2017:

	Balance December 31, 2016	Additions	Deletions	Balance December 31, 2017
Land and Building Improvements	\$ 12,308,286.85	\$ 241,868.80	\$ -	\$ 12,550,155.65
Property Held for Redevelopment	190,324.52			190,324.52
Furniture, Vehicles and Equipment	7,510,447.84	15,469.00		7,525,916.84
Total	<u>\$ 20,009,059.21</u>	<u>\$ 257,337.80</u>	<u>\$ -</u>	<u>\$ 20,266,397.01</u>

P. CAPITAL DEBT

	December 31 2017	December 31, 2016	December 31, 2015
Summary of Municipal Debt Issued			
General			
Bonds and Notes	\$ 8,482,000	\$ 8,952,000	\$ 6,767,000
Water Utility			
Bonds and Notes	816,000	1,014,000	1,212,000
Sewer Utility			
Bonds and Notes	4,401,092	5,025,721	5,838,605
Total Issued	<u>13,699,092</u>	<u>14,991,721</u>	<u>13,817,605</u>
Authorized But Not Issued			
General			
Bonds and Notes	2,783,745	2,653,195	3,265,455
Water Utility			
Bonds and Notes	3,798,602	198,602	205,000
Sewer Utility			
Bonds and Notes	3,371,207	2,211,207	1,012,488
Total Authorized But Not Issued	<u>9,953,554</u>	<u>5,063,004</u>	<u>4,482,943</u>
Total Issued and Authorized But Not Issued	<u>23,652,646</u>	<u>20,054,725</u>	<u>18,300,548</u>
Deductions			
Self-Liquidating Debt	12,386,901	8,449,530	8,268,093
Net Debt	<u>\$ 11,265,745</u>	<u>\$ 11,605,195</u>	<u>\$ 10,032,455</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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 560,000.00	\$ 235,569.80	\$ 795,569.80
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
2023-2027	2,125,000.00	231,093.75	2,356,093.75
2028-2029	850,000.00	22,843.75	872,843.75
Total	<u>\$ 6,480,000.00</u>	<u>\$ 997,539.19</u>	<u>\$ 7,477,539.19</u>

Sewer Utility Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 65,000.00	\$ 11,875.00	\$ 76,875.00
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	<u>\$ 343,000.00</u>	<u>\$ 31,630.00</u>	<u>\$ 374,630.00</u>

NJEIT Loan

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 397,075.87	\$ 102,040.00	\$ 499,115.87
2019	390,224.84	92,290.00	482,514.84
2020	397,770.50	82,890.00	480,660.50
2021	405,683.06	73,090.00	478,773.06
2022	412,267.92	62,840.00	475,107.92
2023-2027	1,725,069.39	143,950.00	1,869,019.39
Total	<u>\$ 3,728,091.58</u>	<u>\$ 557,100.00</u>	<u>\$ 4,285,191.58</u>

**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
2018	\$ 50,000.00	\$ 17,778.65	\$ 67,778.65
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
2023-2027	300,000.00	17,325.00	317,325.00
Total	<u>\$ 560,000.00</u>	<u>\$ 71,481.80</u>	<u>\$ 631,481.80</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	\$2,504,643
Deductions:	
Operating & Maintenance Cost	\$2,055,831
Debt Service Per Water Utility Fund	<u>217,099</u>
	<u>2,272,930</u>
Excess in Revenue	<u>\$ 231,713</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	\$3,873,503
Deductions:	
Operating & Maintenance Cost	\$2,673,241
Debt Service Per Water Utility Fund	<u>757,951</u>
	<u>3,431,192</u>
Excess in Revenue	<u>\$ 442,311</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.

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

NOTES TO FINANCIAL STATEMENTS

Q. CAPITAL DEBT REFUNDING (CONTINUED)

On March 15, 2011, the Burlington County Bridge Commission (BCBC) 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.

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, 2017, 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>
2018	<u>\$ 1,185.60</u>
	<u><u>\$ 1,185.60</u></u>

Rental payments under operating leases for the year 2017 and 2016 were \$7,113.60 and \$7,113.60 respectively.

S. SUBSEQUENT EVENTS

On April 17, 2018, the City authorized Bond Ordinance 01-2018 authorizing repaving and reconstruction of various streets, together with the acquisition of materials and equipment in the amount of \$350,000 consisting of a down payment of \$5,000, \$250,000 representing a DOT Grant, and authorizing bonds in the amount of \$95,000.

SUPPLEMENTAL SCHEDULES

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

SA-1

**CURRENT FUND
SCHEDULE OF CASH – TREASURER**

Year Ended December 31, 2017

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2016	\$ 3,578,727.79	\$ 66,672.35
Increased by Receipts:		
Remitted by Collector	\$ 22,169,118.33	
Due State of New Jersey for Senior Citizens' & Veterans' Deductions	91,328.08	
Homestead Rebates Received from State of New Jersey -		
Applied to 2017 Taxes	239,063.96	
Revenue Accounts Receivable	6,771,456.51	
Miscellaneous Revenue not Anticipated	1,852,079.13	
Petty Cash	1,200.00	
Reserve for State Library Aid	1,032.00	
Due to State of New Jersey -- Marriage License Fees	1,350.00	
Due to State of New Jersey -- Burial Permit Fees	5.00	
Deferred Charge Raised in Budget		
Due Other Trust		
Due to Sewer Capital		
Due to Sewer Operating	2,000,000.00	
Due from Sewer Operating Fund	537,865.97	
Due from Water Operating Fund	474,176.73	
Due from Dog License Fund	1,136.90	
Due from Federal and State Grant Fund	21,660.86	
Due to/from Claims Account		
Contra	270,311.58	
Due Current Fund		\$ 20,000.00
Reimbursement of Current Fund Expenditures Made by Grant Fund		2,582.25
Local Share of Grants Received from Current Fund		69,143.50
Federal and State Grant Fund Receivable		88,308.71
Federal and State Grants Unappropriated		30.22
	<u>34,431,785.05</u>	<u>180,064.68</u>
	38,010,512.84	246,737.03
Decreased by Disbursements:		
2017 Budget Appropriations	14,726,787.79	
2016 Appropriation Reserves	522,414.17	
Accounts Payable	963.49	
Tax Overpayments	69,158.12	
County Taxes Payable	2,593,972.78	
Local District School Taxes Payable	11,672,961.00	
Refund of Current Year Revenue:		
Anticipated Revenue:		
Uniform Construction Code Fees	150.32	
Fees and Permits	612.00	
Interest and Costs on Taxes	112.32	
Petty Cash	1,200.00	
Reserve for State Library Aid	1,032.00	
Reserve for State Tax Appeals Pending	0.00	
Due To State of New Jersey -- Marriage License Fees	625.00	
Due to Sewer Capital Fund		
Due to Federal and State Grant Fund	93,149.85	
Due Trust Other Fund		
Due to Sewer Operating	2,000,000.00	
Due from Sewer Operating Fund	537,865.97	
Due from Water Operating Fund	474,176.73	
Due from General Capital Fund		
Due to/from Claims Account		
Contra	270,311.58	
Current Fund Expenditures Made by Grant Fund		2,582.25
Due Current Fund		20,010.86
Federal and State Grant Funds -- Appropriated Reserves		155,923.40
	<u>32,965,493.12</u>	<u>178,516.51</u>
Balance December 31, 2017	<u>\$ 5,045,019.72</u>	<u>\$ 68,220.52</u>

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

SA-2

**CURRENT FUND
SCHEDULE OF CASH – COLLECTOR**

Year Ended December 31, 2017

Balance December 31, 2016		\$	602,650.47
Increased by Receipts:			
Prepaid Taxes	\$	326,065.47	
2017 Taxes		20,903,029.50	
2016 Taxes		746,849.88	
2015 Taxes		0.77	
2014 Taxes		251.78	
Tax Overpayments		69,158.36	
Tax Title Lien Receivable		86,782.13	
IC on Taxes		173,142.61	
Tax Searches		120.00	
Payment in Lieu of Taxes		59,099.96	
Miscellaneous		12,070.21	
			<u>22,376,570.67</u>
			22,979,221.14
Decreased by Disbursements:			
Remitted to Treasurer			<u>22,169,118.33</u>
Balance December 31, 2017		\$	<u>810,102.81</u>

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

SA-3

**CURRENT FUND
SCHEDULE OF CHANGE FUNDS**

Year Ended December 31, 2017

<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, 2017

Year	Balance	Added	2017 Levy	Collected		Due from State of New Jersey	Refunded from Reserve for State Tax Appeals	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2016	Taxes		2016	2017					Dec. 31, 2017
2014	\$ 1.78	\$ 1,000.00			\$ 251.78					\$ 750.00
2015	0.77	250.00			0.77					250.00
2016	811,831.60	2,500.00		\$ 200.00	746,849.88			\$ 31,947.54	\$ 35,329.24	4.94
	811,834.15	3,750.00	-	200.00	747,102.43			31,947.54	35,329.24	1,004.94
2017			\$22,520,642.97	185,364.66	21,142,093.46	\$ 90,780.82		85,909.71	124,711.31	891,783.01
	\$ 811,834.15	\$ 3,750.00	\$22,520,642.97	\$ 185,564.66	\$21,889,195.89	\$ 90,780.82	\$ -	\$ 117,857.25	\$ 160,040.55	\$ 892,787.95

Analysis of 2017 Property Tax Levy

Tax Yield

General Purpose Tax	\$22,460,134.05
Added and Omitted Taxes	60,508.92
	<u>\$22,520,642.97</u>

Tax Levy

Local District School Tax	11,672,961.00
County Taxes:	
Net County Tax	\$ 2,136,539.90
County Library Tax	197,426.74
County Open Space Tax	254,749.41
Due County for Added & Omitted Taxes	7,007.15
	2,595,723.20
Local Tax for Municipal Purposes	8,195,925.44
Additional Added Taxes	56,033.33
	<u>8,251,958.77</u>
	<u>\$22,520,642.97</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, 2017

Balance December 31, 2016		\$ 587,970.28
Increased by:		
Transfers from Taxes Receivable	\$ 160,040.55	
Assignment of 3rd Party Lien to City	11,667.69	
Special Assessments	1,116.20	
Interest Paid at Redemption	20,465.15	
Other Charges	<u>8,382.86</u>	
		<u>201,672.45</u>
		789,642.73
Decreased by:		
Collections	86,782.13	
Bankruptcy Adjustment	3,119.21	
Canceled Due to Foreclosure	<u> </u>	
		<u>89,901.34</u>
Balance December 31, 2017		<u><u>\$ 699,741.39</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, 2017

<hr/>		
Balance December 31, 2016		\$ 115,169.31
Increased by:		
Collections	\$ 91,328.08	
Prior Year Disallowed by Collector	<u>3,750.00</u>	
		<u>95,078.08</u>
		210,247.39
Decreased by:		
2017 Levy -- Deductions per Tax Billings	\$ 92,500.00	
2017 Allowed by Tax Collector	<u>2,250.00</u>	
		94,750.00
Less: 2017 Deductions Disallowed by Collector		<u>(3,969.18)</u>
		90,780.82
Add: Prior Year Deduction Allowed by Collector		<u>-</u>
		<u>90,780.82</u>
Balance December 31, 2017		<u>\$ 119,466.57</u>

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

SA-7

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2017

	Balance Dec. 31, 2016	Accrued	Collected		Balance Dec. 31, 2017
			Collector	Treasurer	
Miscellaneous Revenue:					
Local Revenues:					
Licenses:					
Alcoholic Beverages		\$ 41,378.00		\$ 41,378.00	
Fees and Permits:					
City Clerk	\$ 840.00	11,641.95		10,361.95	\$ 2,120.00
Board of Health	1,866.20	19,132.00		19,107.00	1,891.20
Police		4,138.12		3,317.62	820.50
Zoning and Planning Board		4,425.00		4,425.00	
Code Inspection Office	12,930.00	234,469.00		235,505.00	11,894.00
Construction Code Official		30.00		30.00	
Recreation	4,379.02	26,961.07		30,565.09	775.00
Bureau of Fire Protection	556.00	23,258.00		23,814.00	
Lyceum Hall		452.00		300.00	152.00
Mayor - Weddings					
Tax Collector		120.00	\$ 120.00		
Fines and Costs:					
Municipal Court	29,576.12	364,965.66		373,599.97	20,941.81
Interest on Investments and Deposits		67,959.28		67,959.28	
Interests and Costs on Taxes		173,142.61	173,142.61		
Anticipated Lease Revenues		420,448.11		420,448.11	
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	23,332.86	94,056.00		108,717.86	8,671.00
Special Items of Revenue Anticipated					
Uniform Fire Safety Act		18,747.63		18,747.63	
	<u>\$ 73,480.20</u>	<u>\$6,918,504.43</u>	<u>\$ 173,262.61</u>	<u>\$6,771,456.51</u>	<u>\$ 47,265.51</u>

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

SA-8

**CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE**

Year Ended December 31, 2017

Balance December 31, 2016		\$	15,216.75
Increased by:			
Transfers from 2016 Appropriation Reserves	\$	<u>2,065.00</u>	
			<u>2,065.00</u>
			17,281.75
Decreased by:			
Cancelled		14,253.26	
Disbursements		<u>963.49</u>	
			<u>15,216.75</u>
Balance December 31, 2017		\$	<u><u>2,065.00</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, 2017

	Balance Dec. 31, 2016		Total	Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Appropriation Reserve				
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages		\$ 2,549.67	\$ 2,549.67	\$ 2,549.67		\$ 2,549.67
Other Expenses	\$ 1,047.46	7,540.44	8,587.90	8,587.90	\$ 2,183.24	6,404.66
Mayor and Council:						
Salaries and Wages		2,155.55	2,155.55	2,155.55		2,155.55
Other Expenses	443.44	337.99	781.43	781.43	495.00	286.43
Municipal Clerk:						
Salaries and Wages		1,062.85	1,062.85	1,062.85		1,062.85
Other Expenses	2,229.44	14,142.80	16,372.24	16,372.24	875.82	15,496.42
Financial Administration:						
Salaries and Wages		1,246.27	1,246.27	1,246.27		1,246.27
Other Expenses	2,475.57	5,744.01	8,219.58	8,219.58	3,474.14	4,745.44
Audit Services:						
Other Expenses		210.93	210.93	210.93		210.93
Tax Collection:						
Salaries and Wages		3,171.67	3,171.67	3,171.67		3,171.67
Other Expenses	192.71	2,764.81	2,957.52	2,957.52	309.29	2,648.23
Tax Assessment Administration:						
Salaries and Wages		490.33	490.33	490.33		490.33
Other Expenses	2,231.83	7,050.94	9,282.77	9,282.77	2,965.33	6,317.44
Legal Services:						
Other Expenses	33,505.95	10,507.91	44,013.86	44,013.86	25,082.35	18,931.51
Engineering Services and Costs:						
Other Expenses	6,235.14	11,000.00	17,235.14	17,235.14	6,235.14	11,000.00
Economic Development:						
Other Expenses	3,022.65	35,590.00	38,612.65	38,612.65	37,873.28	739.37
Office of Programs Coordinator:						
Salaries and Wages		42,742.50	42,742.50	42,742.50		42,742.50
Other Expenses	1,660.50	12,411.59	14,072.09	14,072.09	5,521.96	8,550.13
Historic Commission:						
Salaries and Wages						
Other Expenses	1,876.54	531.43	2,407.97	2,407.97	1,698.24	709.73
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages		3,999.93	3,999.93	3,999.93		3,999.93
Other Expenses	13,459.03	5,292.46	18,751.49	18,751.49	10,184.00	8,567.49
CODE ENFORCEMENT AND ADMINISTRATION:						
Inspection of Buildings:						
Salaries and Wages		49.86	49.86	49.86		49.86
Other Expenses	12,477.06	102,131.89	114,608.95	109,608.95	13,311.87	96,297.08
Inspection of Plumbing:						
Other Expenses	4,246.84	10,000.00	14,246.84	14,246.84	505.17	13,741.67
Inspection of Electrical:						
Other Expenses	432.86	18,000.00	18,432.86	18,432.86	1,415.30	17,017.56
Housing Code Inspections:						
Other Expenses	981.00	15,798.95	16,779.95	16,779.95	986.70	15,793.25
Rental Unit Inspections:						
Salaries and Wages		18,100.62	18,100.62	18,100.62		18,100.62
Other Expenses	433.91	1,892.59	2,326.50	2,326.50	1,324.93	1,001.57
INSURANCE:						
Liability Insurance						
Workers Compensation Insurance		2,082.00	2,082.00	2,082.00		2,082.00
Employee Group Insurance		296,417.51	296,417.51	296,417.51	214,057.60	82,359.91
Employee Group Insurance - Waivers		3,066.64	3,066.64	3,066.64		3,066.64
Unemployment Insurance		36,272.58	36,272.58	36,272.58	5,124.59	31,147.99
PUBLIC SAFETY:						
Police:						
Salaries and Wages		62,491.61	62,491.61	62,491.61		62,491.61
Other Expenses	36,090.11	11,050.95	47,141.06	47,141.06	32,344.89	14,796.17
Emergency Management Services:						
Salaries and Wages						
Other Expenses	4,057.14	30.68	4,087.82	4,087.82	3,870.65	217.17
Fire Department:						
Salaries and Wages		3,575.00	3,575.00	3,575.00		3,575.00
Miscellaneous Other Expenses	13,366.20	2,111.81	15,478.01	20,478.01	19,001.31	1,476.70
Uniform Fire Safety Act (P.L. 1983)						
Fire Official:						
Salaries and Wages		370.37	370.37	370.37		370.37
Other Expenses		60.00	60.00	60.00		60.00
Municipal Prosecutor:						
Other Expenses		4,200.00	4,200.00	4,200.00	2,400.00	1,800.00

**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, 2017

	Balance Dec. 31, 2016		Total	Balance After Transfer	Paid or Charged	Balance Lapsed
	Encumbered	Appropriation Reserve				
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages		64,047.29	64,047.29	64,047.29	1,192.07	62,855.22
Other Expenses	19,841.45	7,903.47	27,744.92	27,744.92	14,541.10	13,203.82
Other Public Works Functions:						
Salaries and Wages		2,009.91	2,009.91	2,009.91		2,009.91
Other Expenses	1,165.86	11,623.82	12,789.68	12,789.68	10,637.17	2,152.51
Solid Waste Collection:						
Other Expenses	13,038.82	33,883.74	46,922.56	46,922.56	17,583.75	29,338.81
Buildings and Grounds:						
Salaries and Wages		3,235.95	3,235.95	3,235.95		3,235.95
Other Expenses	5,518.43	4,084.16	9,602.59	9,602.59	3,508.81	6,093.78
Vehicle Maintenance:						
Salaries and Wages		7,635.75	7,635.75	7,635.75		7,635.75
Other Expenses	6,952.04	10,208.06	17,160.10	17,160.10	8,899.81	8,260.29
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages		2,763.32	2,763.32	2,763.32		2,763.32
Other Expenses		887.74	887.74	887.74	393.00	494.74
Animal Control Officer:						
Other Expenses	488.75	1,518.00	2,006.75	2,006.75	712.50	1,294.25
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages		9,392.92	9,392.92	9,392.92		9,392.92
Other Expenses	1,652.63	9,986.25	11,638.88	11,638.88	9,603.36	2,035.52
Operations of Boat Ramp:						
Other Expenses		1,275.28	1,275.28	1,275.28		1,275.28
Maintenance of Parks:						
Salaries and Wages		14,817.41	14,817.41	14,817.41		14,817.41
Other Expenses	4,389.00	9,297.95	13,686.95	13,686.95	2,851.80	10,835.15
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation						
Celebration of Public Events:						
Salaries and Wages		18,419.30	18,419.30	18,419.30		18,419.30
Other Expenses	10,276.14	1,189.47	11,465.61	11,465.61	10,610.53	855.08
Municipal Court:						
Salaries and Wages						
Other Expenses		2,041.34	2,041.34	2,041.34	433.58	1,607.76
Public Defender:						
Other Expenses		8,500.00	8,500.00	8,500.00		8,500.00
UTILITY EXPENSES:						
Electricity and Natural Gas		36,715.18	36,715.18	36,715.18		36,715.18
Telecommunications	1,825.28	4,676.23	6,501.51	6,501.51	1,416.84	5,084.67
Petroleum Products		59,768.95	59,768.95	59,768.95	6,210.64	53,558.31
LANDFILL/SOLID WASTE DISPOSAL COSTS:						
Landfill/Solid Waste Disposal Costs	3,455.63	48,574.26	52,029.89	52,029.89	28,604.01	23,425.88
CONTINGENT						
		500.00	500.00	500.00		500.00
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System		5,000.00	5,000.00	5,000.00	2,655.29	2,344.71
Social Security System (O.A.S.I.)		52,687.31	52,687.31	52,687.31	10,316.19	42,371.12
Police and Firemen's Retirement System						
Defined Contribution Retirement Program		2,450.67	2,450.67	2,450.67	2,012.46	438.21
OPERATIONS - EXCLUDED FROM "CAPS"						
Recycling Tax		3,800.43	3,800.43	3,800.43	1,055.46	2,744.97
CAPITAL IMPROVEMENTS:						
	<u>\$ 209,069.41</u>	<u>\$ 1,197,141.30</u>	<u>\$ 1,406,210.71</u>	<u>\$ 1,406,210.71</u>	<u>\$ 524,479.17</u>	<u>\$ 881,731.54</u>
			Disbursements	\$ 522,414.17		
			Accounts Payable	2,065.00		
				<u>\$ 524,479.17</u>		

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

SA-10

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS**

Year Ended December 31, 2017

Balance December 31, 2016		\$	-
Increased by:			
Tax Overpayments Created			<u>69,158.36</u>
			69,158.36
Decreased By:			
Cancelled	\$	0.24	
Refunded		<u>69,158.12</u>	
			<u>69,158.36</u>
Balance December 31, 2017		\$	<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, 2017

Levy -- Calendar Year	<u>\$ 11,672,961.00</u>
Decreased by:	
Disbursements	<u>\$ 11,672,961.00</u>

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

SA-12

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE**

Year Ended December 31, 2017

Balance December 31, 2016 (Added and Omitted Taxes)	\$ 5,256.73
Increased by 2017 Levy:	
Net County Tax	\$ 2,136,539.90
County Library Tax	197,426.74
County Open Space Tax	254,749.41
Added & Omitted Taxes	<u>7,007.15</u>
	<u>2,595,723.20</u>
	2,600,979.93
Decreased by:	
Disbursements	<u>2,593,972.78</u>
Balance December 31, 2017 (Added and Omitted Taxes)	<u>\$ 7,007.15</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, 2017

Balance December 31, 2016	\$	75,000.00
Increased by:		
Reserved from Current Tax Collections		<u>75,000.00</u>
Decreased by:		
Refunds Due to State Tax Appeals		<u>-</u>
Balance December 31, 2017	\$	<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, 2017

	Balance Dec. 31, 2016	Realized as Miscellaneous Revenue in 2017 Budget	Received	Cancelled	Balance Dec. 31, 2017
Federal Grants:					
Bulletproof Vest Grant	\$ 5,218.30				\$ 5,218.30
FFY10 Homeland Security Grant (CY 2011)	1,140.09			\$ 1,140.09	
Emergency Management Assistance Grant (2016 - 2017)		\$ 7,000.00	\$ 7,000.00		
Small Cities Block Grant - Housing		175,000.00			175,000.00
Small Cities Block Grant - Public Facilities Levee		400,000.00			400,000.00
Total Federal Grants	6,358.39	582,000.00	7,000.00	1,140.09	580,218.30
State Grants:					
Municipal Alliance - State (2017-2018)		13,574.00			13,574.00
Municipal Alliance - State (2016-2017)	8,574.00		8,545.24	28.76	0.00
Clean Communities Program		21,654.63	21,654.63		
Body Armor Replacement Fund		6,217.75	6,217.75		
Hazardous Discharge Site Remediation Fund- 2010 Burlington Mart	252.25				252.25
Hazardous Discharge Site Remediation Fund- Commerce Square	30,460.00		30,460.00		
Hazardous Discharge Site Remediation Fund- Commerce Square	10,201.00				10,201.00
Drive Sober or Get Pulled Over		5,500.00	1,650.00	3,850.00	
Tonnage Grant		22,847.45	22,847.45		
NJEDA Community Economic Development Grant	50,000.00				50,000.00
Green Communities Grant	3,000.00			3,000.00	
Pedestrian Safety Education and Enforcement		11,000.00			11,000.00
Detective Tarentino Community Policing Grant		9,999.00		145.17	9,853.83
Total State Grants	102,487.25	90,792.83	91,375.07	7,023.93	94,881.08
Grand Total	\$ 108,845.64	\$ 672,792.83	\$ 98,375.07	\$ 8,164.02	\$ 675,099.38
			Receipts		
			Unappropriated Grants Realized		
			\$ 88,308.71		
			10,066.36		
			<u>\$ 98,375.07</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, 2017

	Balance Dec. 31, 2016	Transferred From 2017 Budget Appropriations	Paid or Charged	Cancelled	Balance Dec. 31, 2017
Federal Grants:					
Bulletproof Vest Grant					\$ -
Emergency Management Assistance Grant (2016-2017)		\$ 7,000.00			7,000.00
Emergency Management Assistance Grant (2015-2016)	\$ 5,000.00		\$ 502.70		4,497.30
Emergency Management Assistance Grant (2014-2015)	341.04		341.04		
Emergency Management Assistance Grant (2014)	897.68		897.68		
FFY10 Homeland Security Grant (CY 2011)	1,006.09			\$ 1,006.09	
Small Cities Block Grant - Housing Rehabilitation		175,000.00	48,236.36		126,763.64
Small Cities Public Facilities - Levee Impr.		400,000.00	180,727.27		219,272.73
National Boating Infrastructure Grant					
Total Federal Grants	7,244.81	582,000.00	230,705.05	1,006.09	357,533.67
State Grants:					
Municipal Alliance - State (2017 - 2018)		13,574.00	6,429.06		7,144.94
Municipal Alliance - State (2016 - 2017)	4,809.76		4,809.76		
Clean Communities Program	22,592.82	21,654.63	6,271.23		37,976.22
Drunk Driving Enforcement Fund	8,827.34				8,827.34
Body Armor Replacement Fund		6,217.75	6,217.75		
Drive Sober or Get Pulled Over		5,500.00	1,650.00	3,850.00	
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	30,460.00		30,460.00		
Burlington Mart Site - State Share	983.33		983.33		
Tonnage Grant	4,534.76	22,847.45	12,626.70		14,755.51
Sustainable Jersey Small Grant	11.38			11.38	
Sustainable Jersey Small Grant - 2012	2,000.00			2,000.00	
Green Communities Grant	80.75			80.75	
NJEDA Community Economic Development Grant	3,945.00		3,945.00		
Stormwater Regulation Grant	3,007.40		3,007.40		
Pedestrian Safety Education and Enforcement Grant		11,000.00	2,090.00		8,910.00
Detective Tarentino Community Policing Grant		9,999.00	9,853.83	145.17	
Total State Grants	155,149.47	90,792.83	88,344.06	6,087.30	151,510.94
Local Grants Required Match:					
Municipal Alliance - State (2017 - 2018)		3,393.50	1,607.26		1,786.24
Municipal Alliance - State (2016 - 2017)	1,202.44		1,202.44		
Small Cities Block Grant - Housing Rehabilitation		17,500.00	4,823.64		12,676.36
Small Cities Public Facilities - Levee Impr.		48,250.00	18,072.73		30,177.27
Grand Total	\$ 163,596.72	\$ 741,936.33	\$ 344,755.18	\$ 7,093.39	\$ 553,684.48
			Disbursements		\$ 155,923.40
			Due to Trust Fund		2,090.00
			Due to Current Fund		2,356.35
			Encumbrances		184,385.43
					<u>\$ 344,755.18</u>

**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, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Receipts</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2017 Budget</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
State Grants:				
Emergency Management Grant	\$ 7,000.00		\$ 7,000.00	\$ -
Body Armor Fund	3,066.36		3,066.36	
Balanced Housing NP - Grant Interest	<u>1,844.05</u>	<u>\$ 30.22</u>		<u>1,874.27</u>
	<u>\$ 11,910.41</u>	<u>\$ 30.22</u>	<u>\$ 10,066.36</u>	<u>\$ 1,874.27</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, 2017

Balance December 31, 2016		\$	10.86
Increased By:			
Received from Current Fund	\$	71,725.75	
Interfund Advanced from Current Fund		20,000.00	
Grant Appropriation Reserves Cancelled		7,093.39	
Grant Expenditures Made by Current Fund		<u>4,006.35</u>	
			<u>102,825.49</u>
			102,836.35
Decreased By:			
Current Fund Expenditures Made by Grant Fund		2,582.25	
Transferred to Current Fund		21,660.86	
Grant Receivables Cancelled		8,164.02	
Local Share of Grants Due from Current Fund		<u>69,143.50</u>	
			<u>101,550.63</u>
Balance December 31, 2017		\$	<u><u>1,285.72</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, 2017

	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Trust-Other</u>
Balance December 31, 2016	\$ 818.70	\$ 5,903.98	\$ 1,264,643.21
Increased by Receipts:			
Dog License Fees Collected		\$ 2,129.80	
Contra			\$ 10,000.00
Due To Current Fund			51,818.00
Loans Receivable:			
UDAG - Economic Development Ordinance			39,639.29
Miscellaneous Trust Liabilities and Reserves			1,134,808.45
	<u>818.70</u>	<u>2,129.80</u>	<u>1,236,265.74</u>
Decreased by Disbursements:			
Reserve for Animal Control Fund Expenditures		637.50	
Statutory Excess Paid to Current Fund		1,136.90	
Contra			10,000.00
Due From Current Fund			
Due From Grant Fund			2,090.00
UDAG - Economic Development Ordinance			33,000.00
Miscellaneous Trust Liabilities and Reserves			919,158.81
		<u>1,774.40</u>	<u>964,248.81</u>
Balance December 31, 2017	<u>\$ 818.70</u>	<u>\$ 6,259.38</u>	<u>\$ 1,536,660.14</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, 2017

Balance December 31, 2016		\$ 394,400.00
Increased by Receipts:		
Redemption of Tax Sale Certificates	\$ 649,002.10	
Tax Sale Premiums	<u>111,900.00</u>	<u>760,902.10</u>
Decreased by Disbursements:		1,155,302.10
Redemption of Tax Sale Certificates	649,002.10	
Premiums Returned	<u>157,200.00</u>	<u>806,202.10</u>
Balance December 31, 2017		<u><u>\$ 349,100.00</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, 2017

Balance December 31, 2016	\$	1,732.10
Decreased by:		
Cash Collections in Current Fund		<u>-</u>
Balance December 31, 2017	\$	<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, 2017

Balance December 31, 2016		\$ 4,767.08
Increased by:		
Dog License Fees Collected		<u>2,129.80</u>
		6,896.88
Decreased by:		
Expenditures Under R.S. 4:19-15.11	\$ 637.50	
Statutory Excess Due to Current Fund	<u>2,242.90</u>	
		<u>2,880.40</u>
Balance December 31, 2017		<u><u>\$ 4,016.48</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2015	\$ 2,289.08
2016	<u>1,727.40</u>
	<u><u>\$ 4,016.48</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, 2017

Balance December 31, 2016		\$	68,458.30
Increased by:			
Loans made during 2017			<u>-</u>
			68,458.30
Decreased by:			
Collections			<u>38,670.62</u>
Balance December 31, 2017		\$	<u><u>29,787.68</u></u>

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

SB-6

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

Year Ended December 31, 2016

Balance December 31, 2016		\$	326,828.28
Increased by:			
Interest and Application Fees	\$	968.67	
Collection of UDAG Loans		<u>38,670.62</u>	
			<u>39,639.29</u>
			366,467.57
Decreased by:			
Loans made during 2017			
Payments made to Consultant for Economic Development		<u>33,000.00</u>	
			<u>33,000.00</u>
Balance December 31, 2017		\$	<u><u>333,467.57</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, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance <u>Dec. 31, 2017</u>
Treasurer:				
Reserve for:				
Unemployment Compensation Insurance	\$ 101,919.92	\$ 19,979.11		\$ 121,899.03
Self Insurance Program:				
General Liability/Workman's Comp/Auto	241,630.13	456,453.43	\$ 344,581.95	353,501.61
Sanitary Landfill	179,908.51	1,491.63		181,400.14
Escrow Deposits	156,380.09	224,660.42	208,461.51	172,579.00
Federal Forfeited Property	7,537.66		2,430.00	5,107.66
Disposal of Forfeited Property	8,858.53	3,348.82	4,983.00	7,224.35
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	23,016.50	14,980.00		37,996.50
Regional Contribution Agreement:				
Burlington Township	1,023.35	24.76		1,048.11
POAA	2,697.00	264.00		2,961.00
Public Defender Fees	1,995.24	4,330.50	6,000.00	325.74
Recreation Activities	24,660.04	18,491.14	6,210.29	36,940.89
Police Dogs	16,067.40	27,935.00	17,775.55	26,226.85
Renovations to Memorial Hall	739.11			739.11
COAH Development Fee	16,479.62	136.64		16,616.26
Outside Employment of Police	23,109.00	357,472.00	306,187.50	74,393.50
Police Department Donations	665.98			665.98
Police Explorer Unit	3,645.41	241.00	922.24	2,964.17
Security Deposit - Art Pride Lease	2,200.00			2,200.00
Security Deposit - Temple B'Na	70.00			70.00
Accumulated Leave	438,511.44		21,606.77	416,904.67
	<u>1,262,814.93</u>	<u>1,134,808.45</u>	<u>919,158.81</u>	<u>1,478,464.57</u>
Collector:				
Reserve for:				
Premiums Received at Tax Sale	394,400.00	111,900.00	157,200.00	349,100.00
Redemptions of Tax Sale Certificates		649,002.10	649,002.10	-
	<u>394,400.00</u>	<u>760,902.10</u>	<u>806,202.10</u>	<u>349,100.00</u>
	<u>\$ 1,657,214.93</u>	<u>\$ 1,895,710.55</u>	<u>\$ 1,725,360.91</u>	<u>\$ 1,827,564.57</u>
Received by Current Fund on Behalf of Trust				
Cash Received		<u>1,895,710.55</u>		
		<u>\$ 1,895,710.55</u>		
Due to Current Fund				
Cash Disbursed			<u>1,725,360.91</u>	
			<u>\$ 1,725,360.91</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, 2017

Balance December 31, 2016		\$	876,655.34
Increased by Receipts:			
Due from State of New Jersey	\$	49,000.00	
Contra		1,154,818.11	
Bond Anticipation Notes		473,000.00	
Grants Received to Fund Improvement Authorization		165,000.00	
Premium Received on Bond Anticipation Notes		16,417.48	
			<u>1,858,235.59</u>
			2,734,890.93
Decreased by Disbursements:			
Improvement Authorizations		1,162,150.00	
Contra		1,154,818.11	
			<u>2,316,968.11</u>
Balance December 31, 2017		\$	<u><u>417,922.82</u></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, 2017

	Balance (Deficit) Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2017
		Bonds Issued	Miscellaneous	Improvement Authorizations	Miscellaneous	To	From	
Fund Balance	\$ 158,478.32		\$ 16,417.48					\$ 174,895.80
Capital Improvement Fund	91,714.10						\$ 40,450.00	51,264.10
Reserve for Preliminary Improvement Authorization Costs								
Due from State of New Jersey	(131,440.16)		49,000.00					(82,440.16)
Due from County of Burlington								
Due to Water Capital Fund								
Due to Sewer Capital Fund								
Due to/from Grant Fund								
Reserve for Encumbrances	637,436.23					\$ 629,720.66	637,436.23	629,720.66
Contra			1,154,818.11		\$ 1,154,818.11			
Improvement Authorizations:								
07/17/90 Closure of City Landfill	442,597.92			\$ 15,832.93		16,609.35	776.42	442,597.92
09/18/07 Acquisition and Demolition of Real Property for Redevelopment	(37,845.38)			73,997.87		44,200.00	7,981.50	(75,624.75)
06/01/10 Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	(72,241.59)	\$ 72,000.00						(241.59)
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	(70,840.18)	70,000.00						(840.18)
03/06/12 Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	(77,757.92)			242.08				
07/16/13 Construction of Various Capital Improvements	(112,492.38)	113,000.00		507.62				
08/07/14 Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	(139,690.85)	140,000.00		169,929.19		182,094.21	10,132.53	2,341.64
07/07/15 Paving of Oakland and Laumaster Streets	(34,413.13)			181,410.17		191,413.13		(24,410.17)
10/20/15 Renovations to 302 Commerce Square	33,146.65			21,248.65				11,898.00
12/08/15 Renovations to 432 High Street	(22,542.30)			14,116.37		14,116.37		(22,542.30)
04/05/16 Acquisition of Real Property	(16,311.60)			7,955.58				(24,267.18)
05/03/16 Acquisition of Various Capital Equipment and Various Capital Improvements	(21,199.87)							(21,199.87)
05/03/16 Various Road and Sidewalk Improvements	205,400.00		165,000.00	345,304.22		124,003.17	336,719.10	(187,620.15)
06/14/16 Replacement of a Pedestrian Bridge on Jacksonville Road				65,000.00		65,000.00		
05/02/17 Acquisition and Demolition of Real Property				25,000.00		5,000.00		(20,000.00)
07/11/17 Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)				241,605.32		30,450.00	274,111.11	(485,266.43)
12/05/17 Acquisition of Various Equipment for the Fire Department (Air System Trailer)				-		5,000.00		5,000.00
	<u>\$ 876,655.34</u>	<u>\$ 473,000.00</u>	<u>\$ 1,385,235.59</u>	<u>\$ 1,162,150.00</u>	<u>\$ 1,154,818.11</u>	<u>\$ 1,307,606.89</u>	<u>\$ 1,307,606.89</u>	<u>\$ 417,922.82</u>

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

SC-3

**GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE**

Year Ended December 31, 2017

Balance December 31, 2016		\$	158,478.32
Increased by:			
Cancellation of Funded Improvement Authorizations			
Premium on Bond Anticipation Notes	\$	<u>16,417.48</u>	<u>16,417.48</u>
			<u>174,895.80</u>
Balance December 31, 2017		\$	<u><u>174,895.80</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, 2017

<hr/>		
Balance December 31, 2016		\$ 2,157,000.00
Increased by:		
Bonds Issued		4,650,000.00
		<u>6,807,000.00</u>
Decreased by:		
Budget Appropriations to Pay:		
General Serial Bonds Payable	\$ 327,000.00	
		<u>327,000.00</u>
Balance December 31, 2017		<u><u>\$ 6,480,000.00</u></u>

ANALYSIS OF BALANCE DECEMBER 31, 2017

Serial Bonds		<u>\$ 6,480,000.00</u>
Balance December 31, 2017		<u><u>\$ 6,480,000.00</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, 2017

Ordinance Date	Improvement Description	Balance Dec. 31, 2016	Increased by		Decreased by		Analysis of Balance at Dec. 31, 2017				
			2017 Authorizations	Bonds Issued	Grants Received	Raised by Budget Appropriation	Balance Dec. 31, 2017	Expenditures	Bond Anticipation Notes	Unexpended Improvement Authorizations	
09/19/06	Road Construction	\$ 550,000.00		\$ 366,000.00		\$ 184,000.00	\$ -	\$ -			
02-2007; 02-2009, 04-2013	Acquisition and Demolition of Real Property for Redevelopment	2,306,000.00		1,471,000.00		64,000.00	771,000.00	75,624.75			\$ 695,375.25
01-2008; 04-2008; 01-2009	Renovations to Old City Hall	760,000.00				254,000.00	506,000.00		\$ 506,000.00		
05/06/08	Acquisition of Mobile Vision In-Car Camera System	70,000.00				24,000.00	46,000.00			46,000.00	
12/02/08	Renovations to Various Recreation Facilities	30,000.00				10,000.00	20,000.00			20,000.00	
05/18/10	Acquisition of a Pumper Fire Truck	30,000.00				10,000.00	20,000.00			20,000.00	
06/01/10	Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	72,241.59		72,000.00			241.59	241.59			
04/12/11	Various Infrastructure Improvements	70,840.18		70,000.00			840.18	840.18			
03/06/12	Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	594,634.34		423,000.00		70,000.00	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	356,600.00		113,000.00			243,600.00				243,600.00
07/01/14	Police Surveillance System	320,000.00		320,000.00							
08/07/14	Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	174,000.00		140,000.00			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	400,000.00		400,000.00							
10/20/15	Renovations to 302 Commerce Square	171,000.00		165,000.00			6,000.00				6,000.00
12/08/15	Renovations to 432 High Street	380,000.00		280,000.00			100,000.00	22,542.30			77,457.70
04/05/16	Acquisition of Real Property	1,539,000.00					1,539,000.00	24,267.18	1,410,000.00		104,732.82
05/03/16	Acquisition of Various Capital Equipment and Various Capital Improvements	622,200.00		530,000.00			92,200.00	21,199.87			71,000.13
05/03/16	Various Road and Sidewalk Improvements	755,000.00		300,000.00	\$ 165,000.00		290,000.00	187,620.15			102,379.85
05/02/17	Acquisition and Demolition of Real Property		\$ 95,000.00				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				578,550.00	485,266.43			93,283.57
12/05/17	Acquisition of Various Equipment for the Fire Department (Air System Trailer)		95,000.00				95,000.00				95,000.00
		\$ 9,448,194.78	\$ 768,550.00	\$ 4,650,000.00	\$ 165,000.00	\$ 616,000.00	\$ 4,785,744.78	\$ 862,012.62	\$ 2,002,000.00	\$ 1,921,732.16	
								<u>Ref.</u>			
Improvement Authorizations - Unfunded								SC-6		\$ 1,935,971.80	
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:											
Ord. 03-2015 Renovations to 302 Commerce Square								SC-2	\$ 11,898.00		
Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)								SC-2	2,341.64		
										<u>14,239.64</u>	
										<u>\$ 1,921,732.16</u>	

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

SC-6

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2017

Improvement Description	Ordinance Number	Date Adopted	Amount	Balance Dec. 31, 2016		Prior Year Encumbrances Reclassified	2017 Authorizations	Disbursed	Encumbered	Balance Dec. 31, 2017	
				Funded	Unfunded					Funded	Unfunded
General Improvements:											
Closure of City Landfill	23-1990	07/17/90	\$ 1,790,000.00	\$ 442,597.92	\$ -	\$ 16,609.35		\$ 15,832.93	\$ 776.42	\$ 442,597.92	\$ -
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		733,154.62	44,200.00		73,997.87	7,981.50		695,375.25
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		101,876.42			242.08			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		244,107.62			507.62			243,600.00
Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	02-2014	08/07/14	500,000.00		34,309.15	182,094.21		169,929.19	10,132.53		36,341.64
Paving of Oakland and Laumaster Streets	01-2015	07/07/15	260,000.00		25,586.87	191,413.13		181,410.17			35,589.83
Renovations to 302 Commerce Square	03-2015	10/20/15	180,000.00		39,146.65			21,248.65			17,898.00
Renovations to 432 High Street	04-2015	12/08/15	400,000.00		77,457.70	14,116.37		14,116.37			77,457.70
Acquisition of Real Property	02-2016	04/05/16	1,620,000.00		112,688.40			7,955.58			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		660,400.00	124,003.17		345,304.22	336,719.10		102,379.85
Replacement of a Pedestrian Bridge on Jacksonville Road	11-2016	06/14/16	85,000.00			65,000.00		65,000.00			
Acquisition and Demolition of Real Property	02-2017	05/02/17	100,000.00				\$ 100,000.00	25,000.00			75,000.00
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				609,000.00	241,605.32	274,111.11		93,283.57
Acquisition of Various Equipment for the Fire Department (Air System Trailer)	06-2017	12/05/17	100,000.00				100,000.00			5,000.00	95,000.00
				<u>\$ 487,255.40</u>	<u>\$ 2,286,406.23</u>	<u>\$ 637,436.23</u>	<u>\$ 809,000.00</u>	<u>\$ 1,162,150.00</u>	<u>\$ 629,720.66</u>	<u>\$ 492,255.40</u>	<u>\$ 1,935,971.80</u>

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

SC-7

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year Ended December 31, 2017

Balance December 31, 2016		\$ 637,436.23
Increased by:		
Transferred from Improvement Authorizations	<u>\$ 629,720.66</u>	<u>629,720.66</u>
		<u>1,267,156.89</u>
Decreased by:		
Transferred to Improvement Authorizations	<u>637,436.23</u>	<u>637,436.23</u>
Balance December 31, 2017		<u><u>\$ 629,720.66</u></u>

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

SC-8

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year Ended December 31, 2017

Balance December 31, 2016		\$ 91,714.10
Decreased by:		
Down Payment on Bond Ordinance	<u>\$ 40,450.00</u>	<u>40,450.00</u>
Balance December 31, 2017		<u><u>\$ 51,264.10</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, 2017

<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, 2016</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
04-2006	Road Construction	06/26/09				\$ 550,000.00	\$ 550,000.00	\$ -
02-2007, 02-2009, 04-2013	Acquisition and Demolition of Real Property for Redevelopment	06/26/09				1,535,000.00	1,535,000.00	
01-2008; 04-2008, 01-2009	Renovations to Old City Hall	06/26/09	06/07/17	06/06/18	2.25%	760,000.00	254,000.00	506,000.00
02-2008	Acquisition of Mobile Vision In-Car Camera System	06/26/09	06/07/17	06/06/18	2.25%	70,000.00	24,000.00	46,000.00
05-2008	Renovations to Various Recreation Facilities	06/26/09	06/07/17	06/06/18	2.25%	30,000.00	10,000.00	20,000.00
01-2010	Acquisition of a Fire Pumper Truck	06/22/11	06/07/17	06/06/18	2.25%	30,000.00	10,000.00	20,000.00
01-2012	Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	06/20/12				415,000.00	415,000.00	
01-2014	Police Surveillance System	06/12/15				320,000.00	320,000.00	
02-2015	Acquisition of Self-Contained Breathing Apparatus for Fire Department	06/09/16				400,000.00	400,000.00	
03-2015	Renovations to 302 Commerce Square	06/09/16				165,000.00	165,000.00	
04-2015	Renovations to 432 High Street	06/09/16				280,000.00	280,000.00	
02-2016	Acquisition of Real Property	06/09/16	06/07/17	06/06/18	2.25%	1,410,000.00		1,410,000.00
03-2016	Acquisition of Various Capital Equip. and Capital Improvements	06/09/16				530,000.00	530,000.00	
05-2016	Various Road and Sidewalk Improvements	06/09/16				300,000.00	300,000.00	
						<u>\$ 6,795,000.00</u>	<u>\$ 4,793,000.00</u>	<u>\$ 2,002,000.00</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, 2017

<u>Purpose</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, 2016</u>	<u>2017 Bonds Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
			<u>Date</u>	<u>Amount</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	10/15/18	345,000.00	5.00%				
			10/15/19	361,000.00	5.00%				
			10/15/20	380,000.00	3.50%				
			10/15/21	366,000.00	4.00%	1,779,000.00		327,000.00	1,452,000.00
General Obligation Bonds, Series 2017	06/07/17	4,650,000.00	06/01/18	215,000.00	2.125%				
			06/01/19	215,000.00	2.125%				
			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%		\$ 4,650,000.00		4,650,000.00
						<u>\$ 2,157,000.00</u>	<u>\$ 4,650,000.00</u>	<u>\$ 327,000.00</u>	<u>\$ 6,480,000.00</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, 2017

<u>Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec. 31, 2017</u>
			<u>2017 Authorizations</u>	<u>Bonds Issued</u>	<u>Grants Received</u>		
09/18/07	Acquisition and Demolition of Real Property for Redevelopment	\$ 771,000.00					\$ 771,000.00
06/01/10	Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	72,241.59			\$ 72,000.00		241.59
04/12/11	Various Infrastructure Improvements	70,840.18			70,000.00		840.18
03/06/12	Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	179,634.34			78,000.00		101,634.34
10/16/12	James Street Reconstruction	186,678.67					186,678.67
07/16/13	Construction of Various Capital Improvements	356,600.00			113,000.00		243,600.00
08/07/14	Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	174,000.00			140,000.00		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					100,000.00
04/05/16	Acquisition of Real Property	129,000.00					129,000.00
05/03/16	Acquisition of Various Capital Equipment and Various Capital Improvements	92,200.00					92,200.00
05/03/16	Various Road and Sidewalk Improvements	455,000.00				\$ 165,000.00	290,000.00
05/02/17	Acquisition and Demolition of Real Property		\$ 95,000.00				95,000.00
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				578,550.00
12/05/17	Acquisition of Various Equipment for the Fire Department (Air System Trailer)		95,000.00				95,000.00
		<u>\$ 2,653,194.78</u>	<u>\$ 768,550.00</u>	<u>\$ 473,000.00</u>	<u>\$ 165,000.00</u>		<u>\$ 2,783,744.78</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, 2017

<u>Ordinance Number</u>	<u>Grant Name</u>	<u>Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Cash Receipts</u>	<u>Balance Dec. 31, 2017</u>
02-2014	NJDOT FY 2014 Municipal Aid Program	Brown Street Reconstruction	\$ 49,000.00	\$ 49,000.00	\$ -
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
			<u>\$ 131,440.16</u>	<u>\$ 49,000.00</u>	<u>\$ 82,440.16</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, 2017

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2016	\$ 382,272.97	\$ 106,049.17
Increased by Receipts:		
Fire Hydrant Service	\$ 40,000.00	
Collector	2,197,270.18	
Miscellaneous Revenue	64,349.05	
Improvement Authorizations Raised in Budget		
Bond Anticipation Notes		
Premium Received on Bond Anticipation Notes		\$ 2,099.34
Due to Other Trust		
Due to Sewer Operating Fund		
	<u>2,301,619.23</u>	<u>2,099.34</u>
	2,683,892.20	108,148.51
Decreased by Disbursements:		
2017 Budget Appropriations	1,962,635.61	
2016 Appropriation Reserves	62,686.69	
Accrued Interest on Bonds and Loans	20,223.67	
Water Rents Refunded	453.00	
Refund of Prior Year Revenue		
Bond Anticipation Notes		
Reserve for Payment of Bond Anticipation Notes		
Due to Other Trust		
Due to/from Claims Account		
Improvement Authorizations		12,022.31
	<u>2,045,998.97</u>	<u>12,022.31</u>
Balance December 31, 2017	<u>\$ 637,893.23</u>	<u>\$ 96,126.20</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, 2017

Balance December 31, 2016		\$	127,431.88
Increased by Receipts:			
Water Rents Receivable	\$	2,152,049.89	
Water Liens Collected		6,063.72	
Interest on Delinquent Accounts		30,649.46	
Miscellaneous		2,153.04	
Water Connections			
			<u>2,190,916.11</u>
			2,318,347.99
Decreased by:			
Remitted to Treasurer			<u>2,197,270.18</u>
Balance December 31, 2017		\$	<u><u>121,077.81</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, 2017

	Balance (Deficit) Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2017
		Bond Anticipation Notes Issued	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	\$ 40,809.17							\$ 40,809.17
Fund Balance	51,563.83		\$ 2,099.34					53,663.17
Encumbrances	18,423.59					\$ 18,423.59	\$ 13,141.09	13,141.09
Due to Water Operating								
Reserve for Payment of Bond Anticipation Notes								
Improvement Authorizations:								
7th Street Water Tank Rehabilitation								
Improvements to Walnut St. Water Tower and Water Plant	(4,747.42)			\$ 11,328.56		13,141.09	18,423.59	(10,793.48)
Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)				693.75				(693.75)
	<u>\$ 106,049.17</u>	<u>\$ -</u>	<u>\$ 2,099.34</u>	<u>\$ 12,022.31</u>	<u>\$ -</u>	<u>\$ 31,564.68</u>	<u>\$ 31,564.68</u>	<u>\$ 96,126.20</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, 2017

<hr/>		
Balance December 31, 2016		\$ 334,766.68
Increased by:		
Water Charges Levied		<u>2,206,199.55</u>
		2,540,966.23
Decreased by:		
Water Collections	\$ 2,152,049.89	
Refund of Current Year Revenue	<u>(453.00)</u>	
	2,151,596.89	
Transfers to Water Liens	<u>21,286.64</u>	<u>2,172,883.53</u>
		368,082.70
Balance December 31, 2017		<u><u>\$ 368,082.70</u></u>

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

SD-5

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

Year Ended December 31, 2017

<hr/>		
Balance December 31, 2016		\$ 12,497.61
Transfers from Consumer Accounts Receivable	\$ 21,286.64	
Assignment of 3rd Party Lien to City	576.69	
Interest Paid at Redemption	1,393.69	
Interest and Costs at Tax Sale	<u>1,377.11</u>	<u>24,634.13</u>
		37,131.74
Decreased by:		
Collections	6,063.72	
Canceled Due to Foreclosure	<u> </u>	<u>6,063.72</u>
		31,068.02
Balance December 31, 2017		<u><u>\$ 31,068.02</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, 2017

	Balance <u>Dec. 31, 2016</u>	Balance <u>Dec. 31, 2017</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>\$ 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, 2017

<u>Improvements</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec. 31, 2017</u>
			<u>Funded with Capital Improvement Fund</u>	<u>Deferred Charges to Future</u>	<u>Completed Projects Transferred to Fixed Capital</u>	<u>Cancelled</u>	
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
		<u>\$ 1,330,000.00</u>	<u>\$ -</u>	<u>\$ 3,600,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,930,000.00</u>

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

SD-8

WATER UTILITY CAPITAL FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES

Year Ended December 31, 2017

	Balance Dec. 31, 2016		Balance after Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Operating:					
Salaries		\$ 41,936.68	\$ 41,936.68		\$ 41,936.68
Other Expenses	\$ 76,289.41	48,553.81	124,843.22	\$ 78,516.53	46,326.69
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System					
Social Security System (O.A.S.I.)		5,725.92	5,725.92	1,962.66	3,763.26
Unemployment Compensation Insurance		1,000.00	1,000.00		1,000.00
Total	\$ 76,289.41	\$ 97,216.41	\$ 173,505.82	\$ 80,479.19	\$ 93,026.63
			Accounts Payable	\$ 17,792.50	
			Cash Disbursed	62,686.69	
				\$ 80,479.19	

**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, 2017

Balance December 31, 2016	\$ 76,289.41
Increased by:	
Charges to 2017 Water Utility Operating Budget	<u>117,216.64</u>
	193,506.05
Decreased by:	
Reappropriated to Appropriation Reserves	<u>76,289.41</u>
Balance December 31, 2017	<u>\$ 117,216.64</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, 2017

Balance December 31, 2016		\$ 11,390.14
Increased by:		
Budget Appropriation:		
Interest on Bond Anticipation Notes	\$ 12,100.16	
Interest on Bonds	6,998.80	
	<u>19,098.96</u>	19,098.96
		30,489.10
Decreased by:		
Disbursements	<u>20,223.67</u>	<u>20,223.67</u>
Balance December 31, 2017		<u>\$ 10,265.43</u>

Analysis of Accrued Interest Dec. 31, 2017

	<u>Principal Outstanding Dec. 31, 2017</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 2016						
	256,000.00	2.25%	06/07/17	12/31/17	207 Days	\$ 3,266.63
<u>General Obligation Bonds:</u>						
Water Utility Bonds, Series 2017						
	560,000.00	2.125% - 2.750%	06/07/17	12/31/17	207 Days	<u>6,998.80</u>
						<u>\$ 10,265.43</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, 2017

Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2016		Prior Year Encumbrances Reclassified	2017 Authorizations	Paid or Charged			Balance Dec. 31, 2017	
			Funded	Unfunded			Disbursed	Encumbered	Cancelled	Funded	Unfunded
Improvements to Walnut St. Water Tower and Water Plant	08/07/14	905,000.00		\$ 193,854.70	\$ 18,423.59		\$ 11,328.56	\$ 13,141.09			\$ 187,808.64
Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)	07/11/17	3,600,000.00				\$ 3,600,000.00	693.75				3,599,306.25
			<u>\$ -</u>	<u>\$ 193,854.70</u>	<u>\$ 18,423.59</u>	<u>\$ 3,600,000.00</u>	<u>\$ 12,022.31</u>	<u>\$ 13,141.09</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,787,114.89</u>
Deferred Charges to Future Revenue						<u>\$ 3,600,000.00</u>					
						<u>\$ 3,600,000.00</u>					

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

SD-12

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

Year Ended December 31, 2017

Balance December 31, 2016		\$ 51,563.83
Increased by:		
Premium Received on Bond Anticipation Notes	<u>\$ 2,099.34</u>	<u>2,099.34</u>
Balance December 31, 2017		<u><u>\$ 53,663.17</u></u>

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

SD-13

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

Year Ended December 31, 2017

Balance December 31, 2016		\$ 13,553,535.75
Increased by:		
Notes Paid by Operating Budget	<u>\$ 67,000.00</u>	<u>67,000.00</u>
Balance December 31, 2017		<u>\$ 13,620,535.75</u>

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

SD-14

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

Year Ended December 31, 2017

Ordinance Date	Improvement Description	Balance Dec. 31, 2016	Increased by		Decreased by		Balance Dec. 31, 2017
			Raised in Operating Budget	Paid in Operating Budget	Improvement Authorization Cancelled	Transferred to Reserve for Amortization	
09/18/07	7th Street Water Tank Rehabilitation	\$ 242,000.00		\$ 61,000.00			\$ 303,000.00
08/07/14	Impr. to Walnut St. Water Tower and Water Plant	76,397.88		70,000.00			146,397.88
		<u>\$ 318,397.88</u>	<u>\$ -</u>	<u>\$ 131,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 449,397.88</u>

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

SD-15

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

Year Ended December 31, 2017

<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, 2016</u>	<u>Increased by 2017 Bonds Issued</u>	<u>Decreased by Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
			<u>Date</u>	<u>Amount</u>					
Water Utility Bonds, Series 2017	06/07/17	\$ 560,000.00	06/01/18	\$ 50,000.00	2.125%				
			06/01/19	50,000.00	2.125%				
			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	\$ -	\$ 560,000.00
						\$ -	\$ 560,000.00	\$ -	\$ 560,000.00

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

SD-16

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

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2016	Decreased by		Balance Dec. 31, 2017
							Raised in Budget	Bonds Sold	
2-2006, 1-2011	Improvements to Water System (2006)	06/26/09	06/07/17	06/06/18	2.25%	\$ 201,000.00	\$ 67,000.00		\$ 134,000.00
1-2007	7th Street Water Tank Rehabilitation	06/26/09	06/07/17	06/06/18	2.25%	183,000.00	61,000.00		122,000.00
03-2014	Impr. to Walnut St. Water Tower and Water Plant					630,000.00	70,000.00	\$ 560,000.00	
						<u>\$ 1,014,000.00</u>	<u>\$ 198,000.00</u>	<u>\$ 560,000.00</u>	<u>\$ 256,000.00</u>

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

SD-17

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

Year Ended December 31, 2017

<u>Ordinance Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased by</u>		<u>Balance Dec. 31, 2017</u>
			<u>2017 Authorizations</u>		
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
		<u>\$ 198,602.12</u>	<u>\$ 3,600,000.00</u>		<u>\$ 3,798,602.12</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, 2017

	<u>Operating</u>	<u>Assessment</u>	<u>Capital</u>
Balance December 31, 2016	\$ 3,138,433.93	\$ 1,364.97	\$ 375,884.90
Increased by Receipts:			
Tax Collector	\$ 2,678,353.92		
Miscellaneous Revenue	500,528.63		
Contra	517,886.96		
Due from Current Fund	2,000,000.00		
Due from Water Operating			
Due to/from Sewer Capital			
Improvement Authorizations Raised in Budget		\$ 100,000.00	
Bond Anticipation Notes			
Small Cities Grant Receivable			
Premium Received on Bond Anticipation Notes			2,706.18
	<u>5,696,769.51</u>		<u>102,706.18</u>
	8,835,203.44	1,364.97	478,591.08
Decreased by Disbursements:			
2017 Budget Appropriations	2,691,991.33		
2016 Appropriation Reserves	260,053.55		
Accrued Interest on Bonds and Loans	139,294.61		
Sewer Rents Refunded	387.00		
Contra	517,886.96		
Due from Current Fund	2,000,000.00		
Due from Water Operating			
Due to/from Sewer Capital			
Bond Anticipation Notes			
Improvement Authorizations			433,995.01
	<u>5,609,613.45</u>		<u>433,995.01</u>
Balance December 31, 2016	<u>\$ 3,225,589.99</u>	<u>\$ 1,364.97</u>	<u>\$ 44,596.07</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, 2017

Balance December 31, 2016		\$	198,617.75
Increased by:			
Sewer Rents Receivable	\$	2,732,965.62	
Sewer Liens Receivable		6,052.26	
Interest and Costs on Delinquent Accounts		21,583.26	
Sewer Connections		-	
			<u>2,760,601.14</u>
			2,959,218.89
Decreased by:			
Remitted to Treasurer			<u>2,678,353.92</u>
Balance December 31, 2017		\$	<u><u>280,864.97</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, 2017

	Balance (Deficit) <u>Dec. 31, 2016</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2017</u>
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 35,526.96		\$ 2,706.18					\$ 38,233.14
Capital Improvement Fund	309,547.31							309,547.31
Reserve for Mitchell Ave Pump St. Improvements	5,000.00							5,000.00
Contra - Bond Anticipation Notes								
Encumbrances	157,321.56					\$ 157,321.56	\$ 1,445,292.05	1,445,292.05
Due from Current Fund Fund								
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
W. Federal Street Sewer Replacement								
Walnut Street Drainage Improvement								
Improvements to Sewer Systems (2006 Drainage)								
Improvements to Sewer Systems (2006)								
Improvements to Sewer Systems (2007)	(100,000.00)		100,000.00	\$ -				
Various Sewer Infrastructure Improvements	239,199.80							239,199.80
2012 Drainage Outfall Repair								
Replacement of Stormwater Pumps	(166,000.00)			50,243.51		1,310,468.30	76,711.81	(1,450,000.00)
Improvements to Sewer Systems - 2016	(126,080.00)			378,979.75		28,070.00	80,609.75	(452,520.00)
Installation of Odor Control System and Grinders				4,771.75		106,753.75		(111,525.50)
	<u>\$ 375,884.90</u>	<u>\$ -</u>	<u>\$ 102,706.18</u>	<u>\$ 433,995.01</u>	<u>\$ -</u>	<u>\$ 1,602,613.61</u>	<u>\$ 1,602,613.61</u>	<u>\$ 44,596.07</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, 2017

<hr/>		
Balance December 31, 2016		\$ 254,433.89
Increased by:		
Sewer Charges Levied		<u>2,741,321.00</u>
		2,995,754.89
Decreased by:		
Collections	\$ 2,732,965.62	
Rents Refunded	<u>(387.00)</u>	
	2,732,578.62	
Transfer to Sewer Liens Receivable	<u>18,761.88</u>	
		<u>2,751,340.50</u>
Balance December 31, 2017		<u>\$ 244,414.39</u>

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

SE-5

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

Year Ended December 31, 2016

<hr/>		
Balance December 31, 2016		\$ 15,233.80
Increased by:		
Transferred from Sewer Rents Receivable	\$ 18,761.88	
Assignment of 3rd Party Lien to City	794.92	
Interest Paid at Redemption	1,395.97	
Interest and Costs at Tax Sale	<u>1,091.57</u>	
		<u>22,044.34</u>
		37,278.14
Decreased by:		
Collections	6,052.26	
Canceled Due to Foreclosure	<u> </u>	
		<u>6,052.26</u>
Balance December 31, 2017		<u>\$ 31,225.88</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, 2017

<u>Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Balance Dec. 31, 2017</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>\$ 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, 2017

Improvements	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2016	Increased by		Decreased by		Balance Dec. 31, 2017
				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	800,000.00	\$ 650,000.00				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
			<u>\$ 10,752,384.00</u>	<u>\$ 1,260,000.00</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 12,012,384.00</u>

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

SE-8

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES**

Year Ended December 31, 2017

	Balance December 31, 2016		Balance after Modification	Paid or Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Operating:					
Salary and Wages		\$ 83,595.77	\$ 83,595.77		\$ 83,595.77
Other Expenses	\$ 256,561.15	354,365.56	610,926.71	\$ 270,404.20	340,522.51
Statutory Expenses:					
Contribution to:					
Public Employees' Retirement System					
Social Security System (O.A.S.I)		8,008.87	8,008.87	1,649.35	6,359.52
N.J. Unemployment Compensation		2,000.00	2,000.00		2,000.00
	<u>\$ 256,561.15</u>	<u>\$ 447,970.20</u>	<u>\$ 704,531.35</u>	<u>\$ 272,053.55</u>	<u>\$ 432,477.80</u>
Disbursements				\$ 260,053.55	
Transferred to Account Payable				12,000.00	
				<u>\$ 272,053.55</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, 2017

Balance December 31, 2016		\$ 55,839.27
Increased by:		
Budget Appropriations:		
Interest on Loans	\$ 107,156.45	
Interest on Bond Anticipation Notes	8,610.23	
Interest on Bonds	<u>17,555.81</u>	
		<u>133,322.49</u>
		189,161.76
Decreased by:		
Disbursements	<u>139,294.61</u>	
		<u>139,294.61</u>
Balance December 31, 2017		<u><u>\$ 49,867.15</u></u>

Analysis of Balance at December 31, 2017

	<u>Principal Outstanding Dec. 31, 2017</u>	<u>Interest Rate</u>	<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%	10/15/17	12/31/17	75 Days	\$ 665.63
Sewer Bonds - 2011A Refunding BCBC	272,000.00	3.50% - 5.00%	10/15/17	12/31/17	75 Days	2,473.96
<u>NJ Environmental Infrastructure Trust:</u>						
Trust Loan Payable	2,078,000.00	5.00% - 5.50%	08/01/17	12/31/17	150 Days	42,516.67
<u>Bond Anticipation Notes:</u>						
Bond Anticipation Note, Series 2017	330,000.00	2.25%	06/07/17	12/31/17	207 Days	<u>4,210.89</u>
						<u><u>\$ 49,867.15</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, 2017

Improvement Description	Date Adopted	Amount	Balance Dec. 31, 2016		Prior Year Encumbrances Reclassified	2017 Authorizations	Paid or Charged			Balance Dec. 31, 2017	
			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		634,000.00	\$ 76,711.81	\$ 650,000.00	\$ 50,243.51	\$ 1,310,468.30			
Improvements to Sewer Systems - 2016	05/03/16	510,000.00		383,920.00	80,609.75		378,979.75	28,070.00			57,480.00
Installation of Odor Control System and Grinders	07/11/17	610,000.00					4,771.75	106,753.75			498,474.50
			<u>\$ 260,569.07</u>	<u>\$ 1,819,127.54</u>	<u>\$ 157,321.56</u>	<u>\$ 1,260,000.00</u>	<u>\$ 433,995.01</u>	<u>\$ 1,445,292.05</u>	<u>\$ -</u>	<u>\$ 260,569.07</u>	<u>\$ 1,357,162.04</u>
Deferred Charges to Future Revenue						<u>\$ 1,260,000.00</u>					
							<u>\$ 433,995.01</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, 2017

Balance December 31, 2016	<u>\$ 14,551,719.42</u>
Balance December 31, 2017	<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, 2017

Ordinance Date	Improvement Description	Balance Dec. 31, 2016	Raised by Budget Appropriation	Bonds Paid by Budget Appropriation	Loans Paid by Budget Appropriation	Notes Paid by Reserve/Budget Appropriation	Balance Dec. 31, 2017
05/06/97	Improvements to Sewer Systems	\$ -					\$ -
06/18/02	Repair Sewer Lines (High Street, Outfall and Wood Street)	432,480.00		\$ 38,430.00			470,910.00
06/18/02	Upgrade Pump Stations (Mitchell Avenue and JFK Park)	535,592.73		24,570.00	\$ 41,197.28		601,360.01
09/18/07	Improvements to Sewer Systems-2007	2,147,921.07			267,782.34		2,415,703.41
08/03/04	W. Federal Street Sewer Replacement					\$ 80,000.00	80,000.00
06/27/06	Improvements to Sewer System (2006 Drainage)					55,000.00	55,000.00
09/19/06	Improvements to Sewer System (2006)						
09/18/07	Improvements to Sewer System (2007)	215,000.00	\$ 100,000.00			40,000.00	355,000.00
12/02/08	Various Sewer Infrastructure Improvements	488,304.82			77,649.36		565,954.18
04/02/13	Repairs to Drainage Outfall Lines	186,990.13					186,990.13
		<u>\$ 4,006,288.74</u>	<u>\$ 100,000.00</u>	<u>\$ 63,000.00</u>	<u>\$ 386,628.99</u>	<u>\$ 175,000.00</u>	<u>\$ 4,730,917.73</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, 2017

<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, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
			<u>Outstanding at Dec. 31, 2017</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	10/15/18	65,000.00	5.00%	335,000.00	\$ 63,000.00	272,000.00
			10/15/19	69,000.00	5.00%			
			10/15/20	69,000.00	3.50%			
			10/15/21	69,000.00	4.00%			
						<u>\$ 406,000.00</u>	<u>\$ 63,000.00</u>	<u>\$ 343,000.00</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, 2017

<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, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Loan Cancelled</u>	<u>Loan Payable Dec. 31, 2017</u>
Upgrade Pump Stations (Mitchell, JFK)	11/6/2008	\$3,612,854.00	-	2018	\$ 42,942.33	\$ 159,133.54	\$ 1,851,720.57	\$ 201,628.99		\$ 1,650,091.58
Improvements to Sewer Systems-2007				2019	40,037.55	162,187.29				
Various Sewer Infrastructure Improvements				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				
							<u>\$ 1,851,720.57</u>	<u>\$ 201,628.99</u>	<u>\$ -</u>	<u>\$ 1,650,091.58</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, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Maturity</u>		<u>Loan Payable Dec. 31, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Loan Cancelled</u>	<u>Loan Payable Dec. 31, 2017</u>
				<u>Date</u>	<u>Amount</u>				
Upgrade Pump Stations (Mitchell, JFK)	11/6/2008	\$3,895,000.00	5.00%	08/01/18	\$ 195,000.00	\$ 2,263,000.00	\$ 185,000.00		\$ 2,078,000.00
Improvements to Sewer Systems-2007			5.25%	08/01/19	188,000.00				
Various Sewer Infrastructure Improvements			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				
					<u>\$ 2,263,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ -</u>	<u>\$ 2,078,000.00</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, 2017

<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, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
2-2004	W. Federal Street Sewer Replacement	06/26/09	06/07/17	06/06/18	2.25%	\$ 235,000.00		\$ 80,000.00	\$ 155,000.00
1-2006	Improvements to Sewer System (2006 Drainage)	06/26/09	06/07/17	06/06/18	2.25%	160,000.00		55,000.00	105,000.00
3-2007	Improvements to Sewer System (2007)	06/26/09	06/07/17	06/06/18	2.25%	110,000.00		40,000.00	70,000.00
						<u>\$ 505,000.00</u>	<u>\$ -</u>	<u>\$ 175,000.00</u>	<u>\$ 330,000.00</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, 2017

Balance December 31, 2016		\$ 35,526.96
Increased by:		
Improvement Authorizations Cancelled	\$ -	
Premium Received on Bond Anticipation Notes	<u>2,706.18</u>	<u>2,706.18</u>
Balance December 31, 2017		<u><u>\$ 38,233.14</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, 2017

<u>Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased by 2017 Authorizations</u>	<u>Decreased by Raised in 2017 Budget</u>	<u>Decreased by Bond Anticipation Notes Issued</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2017</u>
09/18/07	Improvements to Sewer Systems - 2007	\$ 101,051.67		\$ 100,000.00			\$ 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	800,000.00	\$ 650,000.00				1,450,000.00
05/03/16	Improvements to Sewer Systems - 2016	510,000.00					510,000.00
07/11/16	Installation of Odor Control System and Grinders		610,000.00				610,000.00
		<u>\$ 2,211,207.54</u>	<u>\$ 1,260,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,371,207.54</u>

**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, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
General Fixed Assets:				
Land, Buildings and Improvements	\$ 12,308,286.85	\$ 241,868.80		\$ 12,550,155.65
Property Held for Redevelopment	190,324.52			190,324.52
Furniture, Equipment and Vehicles	7,510,447.84	15,469.00		7,525,916.84
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>\$ 20,009,059.21</u>	<u>\$ 257,337.80</u>	<u>\$ -</u>	<u>\$ 20,266,397.01</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, 2017, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 29, 2018, 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of General Comments section, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of General Comments section as findings 2017-001 and 2017-002 to be material weaknesses.

**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

June 29, 2018

SUPPLEMENTARY INFORMATION

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

**SUMMARY OF STATUTORY DEBT
CONDITION – ANNUAL DEBT STATEMENT**

December 31, 2017

**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 1.75%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$1,405,000	\$1,405,000	
Water Utility Debt	4,614,602	4,614,602	
Sewer Utility Debt	7,772,299	7,772,299	
General Debt	11,265,745		\$11,265,745
Total	<u>\$25,057,646</u>	<u>\$13,791,901</u>	<u>\$11,265,745</u>

Net Debt, \$11,265,745 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, \$642,842,744 equals 1.75%.

Equalized Valuation Basis:

2015	\$648,488,733
2016	647,121,253
2017	<u>630,842,245</u>
Average	<u>\$642,150,744</u>

Borrowing Power Under 40A:2-6:

3 1/2 % of Equalized Valuation Bases (Municipal)	\$22,475,276
Net Debt	<u>11,265,745</u>
Remaining Borrowing Power	<u>\$11,209,531</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, 2017

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

	YEAR 2017		YEAR 2016	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$2,000,000.00	5.76%	\$1,800,000.00	5.60%
Miscellaneous - From Other Than Local Property Tax Levies	9,593,947.51	27.61%	7,483,310.67	23.30%
Collection of Delinquent Taxes & Tax Title Liens	834,084.56	2.40%	768,745.21	2.39%
Collection of Current Tax Levy	21,418,238.94	61.65%	21,065,714.57	65.59%
Unexpended Balance of Appropriation Reserves	881,731.54	2.54%	996,612.87	3.10%
Interfunds Liquidated	1,147.76	0.00%	1,377.99	0.00%
Accounts Payable Cancelled	14,253.50	0.04%	0.07	0.00%
Total Income	34,743,403.81	100.00%	32,115,761.38	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	17,007,754.59	54.27%	16,255,687.61	53.64%
County Taxes	2,595,723.20	8.28%	2,646,396.21	8.73%
Local School Taxes	11,672,961.00	37.25%	11,328,344.00	37.38%
Prior Year Senior Citizens' Deduction Disallowed	3,750.00	0.01%	1,988.35	0.01%
Reserve for Tax Appeals			72,893.67	0.24%
Creation of Interfunds and Other Assets	56,417.25	0.18%	894.88	0.00%
Total Expenditures	31,336,606.04	100.00%	30,306,204.72	100.00%
Excess to Fund Balance	3,406,797.77		1,809,556.66	
Adjustments to Income Before Fund Balance: Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year				
Statutory Excess to Fund Balance	3,406,797.77		1,809,556.66	
Fund Balance January 1	2,378,345.10		2,368,788.44	
Total	5,785,142.87		4,178,345.10	
Less: Fund Balance Utilized as Revenue	2,000,000.00		1,800,000.00	
Fund Balance December 31	\$3,785,142.87		\$ 2,378,345.10	

**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, 2017

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

	YEAR 2017		YEAR 2016	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$612,759.87	14.23%	\$734,802.52	16.10%
Collection of Sewer Rents	2,738,630.88	63.59%	2,914,783.66	63.85%
Miscellaneous - From Other Than Sewer Rents	954,972.97	22.18%	915,417.97	20.05%
Total Income	4,306,363.72	100.00%	4,565,004.15	100.00%
Expenditures				
Budget Expenditures - Operating	2,448,740.88	71.37%	2,515,379.35	72.38%
Debt Service	757,951.48	22.09%	736,885.84	21.20%
Deferred Charges & Statutory Expenditures	224,500.00	6.54%	223,180.17	6.42%
Total Expenditures	3,431,192.36	100.00%	3,475,445.36	100.00%
Excess/(Deficit) to Fund Balance	875,171.36		1,089,558.79	
Fund Balance January 1	2,576,297.78		2,221,541.51	
Total Fund Balance	3,451,469.14		3,311,100.30	
Decreased by: Utilized as Revenue	612,759.87		734,802.52	
Fund Balance December 31	\$2,838,709.27		\$2,576,297.78	

**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, 2017

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

	YEAR 2017		YEAR 2016	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$209,830.62	8.06%	\$359,426.61	14.32%
Collection of Sewer Rents	2,157,660.61	82.93%	1,998,990.59	79.64%
Miscellaneous - From Other Than Water Rents	234,254.18	9.00%	151,575.17	6.04%
Total Income	<u>2,601,745.41</u>	<u>100.00%</u>	<u>2,509,992.37</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Operating	1,990,707.62	87.58%	1,944,333.73	87.03%
Debt Service	217,098.96	9.55%	218,711.93	9.79%
Deferred Charges & Statutory Expenditures	65,123.00	2.87%	71,092.88	3.18%
Total Expenditures	<u>2,272,929.58</u>	<u>100.00%</u>	<u>2,234,138.54</u>	<u>100.00%</u>
Excess to Fund Balance	328,815.83		275,853.83	
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>320,832.89</u>		<u>404,405.67</u>	
	656,648.72		680,259.50	
Less: Fund Balance Utilized as Revenue	<u>209,830.62</u>		<u>359,426.61</u>	
Fund Balance December 31	<u><u>\$446,818.10</u></u>		<u><u>\$320,832.89</u></u>	

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

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

December 31, 2017

**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>
2017	\$22,520,643	21,418,239	95.10%
2016	22,004,047	21,065,715	95.74%
2015	21,248,805	20,382,465	95.92%

Comparison of Tax Rate Information

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Tax Rate	<u>\$3.633</u>	<u>\$3.496</u>	<u>\$3.371</u>
Apportionment of Tax Rate:			
Municipal	1.325	1.271	1.217
County	0.420	0.422	0.428
Local School	1.888	1.803	1.726

Net Valuation Taxable:

2017	<u>\$618,225,500</u>	
2016		<u>\$628,160,700</u>
2015		<u>\$630,266,300</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>
2017	\$699,741	892,788	1,592,529	7.071%
2016	587,970	811,834	1,399,804	6.362%
2015	373,007	748,987	1,121,994	5.280%

**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

December 31, 2017

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>
2017	\$1,428,950
2016	1,428,950
2015	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>
2017	\$2,995,755	2,732,579	91.22%
2016	3,167,984	2,909,602	91.84%
2015	3,050,781	2,764,322	90.61%

Comparison of Water Utility Levies

<u>YEAR</u>	<u>LEVY</u>	<u>COLLECTION</u>	<u>PERCENTAGE OF COLLECTION</u>
2017	\$2,540,966	2,151,597	84.68%
2016	2,331,191	1,993,068	85.50%
2015	2,117,012	1,794,673	84.77%

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>
2018	\$795,570	\$67,779	\$575,991	\$1,439,340
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
2023-2027	3,228,938	317,324	1,869,019	5,415,281
	<u>\$7,477,539</u>	<u>\$631,482</u>	<u>\$4,659,822</u>	<u>\$12,768,843</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.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2017

<u>NAME</u>	<u>TITLE</u>	<u>BOND</u>	<u>SURETY CODE</u>
Barry W. Conaway	Mayor		
Suzanne Woodard	President of Council		
David Babula	Vice President of Council		
Thomas Swan	Councilman		
George Chachis	Councilman		
Jeanette Mercuri	Councilwoman		
Helen F. Hatala	Councilwoman		
Ila Marie Lollar	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	\$ 300,000	(A)
Howard N. Wilkins	Construction Code Official		
George Saponaro	Solicitor		
Richard Alaimo	Engineer		
R. Louis Gallagher	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, 2017. 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 \$3,625 "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 January 10, 2017, 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, 2017, included 2016, 2015 and 2014 real estate taxes only.

The last tax sale was held on November 21, 2017, 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.

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

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

December 31, 2017

Recreation

Finding 2017-001:

Criteria:

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

Condition:

The Lyceum Hall monthly bank reconciliations were not completed timely.

Cause:

Oversight of employee personnel.

Effect:

The lack of effective internal controls causes a non-compliance with the City's internal control procedures for performing monthly bank reconciliations.

Recommendation:

That monthly bank reconciliations be performed on a monthly basis.

Management Response

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

Uniform Construction Code

Finding 2017-002:

Criteria:

That the required internal controls be in place to ensure monthly Permit Fee Log Reports be utilized when analyzing receipts while performing monthly bank reconciliations.

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

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

December 31, 2017

Uniform Construction Code (Continued)

Finding 2017-002 (Continued):

Condition:

The monthly Permit Fee Log Reports did not always agree with the City's bank reconciliation.

Effect:

The lack of effective internal controls causes a non-compliance with the City's internal control procedures for performing monthly bank reconciliations.

Recommendation:

Monthly Permit Fee Log Reports should be utilized when performing bank reconciliations on a monthly basis.

Management Response

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

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

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

December 31, 2017

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. There were no findings in prior year.

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.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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

June 29, 2018