

BOROUGH OF BARRINGTON

COUNTY OF CAMDEN

REPORT OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2017



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BOROUGH OF BARRINGTON

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Barrington
Barrington, New Jersey 08007

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Barrington, in the County of Camden, State of New Jersey, as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough'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 Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the "*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Barrington, in the County of Camden, State of New Jersey, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Barrington, in the County of Camden, State of New Jersey, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Other Matters

Other Information

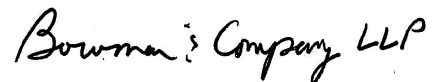
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2018 on our consideration of the Borough of Barrington's, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Barrington's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Barrington's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 7, 2018

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Barrington
Barrington, New Jersey 08007

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Barrington, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 7, 2018. That report indicated that the Borough of Barrington's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

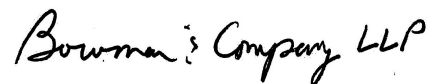
Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 7, 2018

BOROUGH OF BARRINGTON

CURRENT FUND

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

As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Regular Fund:			
Cash	SA-1	\$ 3,408,354.58	\$ 2,008,445.13
Cash - Change Fund	SA-3	100.00	100.00
		<u>3,408,454.58</u>	<u>2,008,545.13</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	507,789.10	371,396.12
Tax Title Liens Receivable	SA-6	61,703.16	60,031.74
Property Acquired for Taxes - Assesed Valuation	SA-21	179,000.00	179,000.00
Revenue Accounts Receivable	SA-8	6,764.58	8,231.90
Other Accounts Receivable	SA-9	650.93	10,758.05
Due Federal and State Grant Fund	SA-1		34,813.89
Due Trust Other Funds	SB-5	56,478.55	
Due General Capital Fund	SC-6	117,229.61	14,110.50
Due from Runnemede - Interlocal Service Agreement	SA-10	5,358.04	9,667.10
Due from Fire Alliance - Interlocal Service Agreement	SA-11		79.12
Due from Ambulance Association - Interlocal Service Agreement	SA-12	1,828.39	1,584.36
Due from Board of Education - Interlocal Service Agreement	SA-13	659.29	100.42
		<u>937,461.65</u>	<u>689,773.20</u>
Deferred Charges:			
Special Emergency Authorizations	SA-24	60,000.00	87,000.00
		<u>4,405,916.23</u>	<u>2,785,318.33</u>
Federal and State Grant Fund:			
Cash	SA-1	129,086.54	
Accounts Receivable	SA-1		1,346.22
Federal and State Grant Funds Receivable	SA-26	365,723.97	153,579.61
		<u>494,810.51</u>	<u>154,925.83</u>
		<u>\$ 4,900,726.74</u>	<u>\$ 2,940,244.16</u>

(Continued)

BOROUGH OF BARRINGTON

CURRENT FUND

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

As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3;SA-15	\$ 312,754.78	\$ 286,041.77
Reserve for Encumbrances	A-3;SA-15	266,546.64	185,923.41
Accounts Payable	SA-16	30,000.00	35,600.00
Prepaid Taxes	SA-7	633,902.97	62,177.89
Due County for Added/Omitted Taxes	SA-19	15,204.25	8,116.99
Due State of New Jersey - Division of Youth and Family Services	SA-17	200.00	275.00
Due State of New Jersey - Senior and Veteran	SA-14	3,251.86	6,748.44
Reserve for Sale of Land	SA-21	338,081.59	249,750.00
Reserve for Hall Rental Deposits	SA-23	100.00	500.00
Reserve for Revision of Master Plan	A	4,766.71	4,766.71
Reserve for Codification	A	25,000.00	25,000.00
Reserve for Revaluation	SA-22	1,785.12	16,652.51
Due Trust Other Funds	SB-5		13,469.68
Due Sewer Utility Operating Fund	SA-1	420.00	
		<u>1,632,013.92</u>	<u>895,022.40</u>
Reserves for Receivables	A	937,461.65	689,773.20
Fund Balance	A-1	<u>1,836,440.66</u>	<u>1,200,522.73</u>
		<u>4,405,916.23</u>	<u>2,785,318.33</u>
Federal and State Grant Fund:			
Due Current Fund	SA-1		34,813.89
Contracts Payable	SA-28	300,000.00	
Reserve for Encumbrances	SA-25	4,254.62	5,130.57
Unappropriated Reserves	SA-27	60.00	16,659.91
Appropriated Reserves	SA-28	<u>190,495.89</u>	<u>98,321.46</u>
		<u>494,810.51</u>	<u>154,925.83</u>
		<u>\$ 4,900,726.74</u>	<u>\$ 2,940,244.16</u>

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

BOROUGH OF BARRINGTON

CURRENT FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 621,000.00	\$ 595,000.00
Miscellaneous Revenues Anticipated	1,622,393.82	1,310,966.54
Receipts from Delinquent Taxes and Tax Title Liens	334,718.68	376,067.96
Receipts from Current Taxes	20,291,699.57	19,918,164.06
Non-Budget Revenue	901,597.50	372,616.09
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	249,809.77	262,417.49
Cancellation of Accounts Payable	20,600.00	38,165.00
Liquidation of Reserves for:		
Due from Federal and State Grant Fund	34,813.89	5.61
Due from Trust Other Fund		28,960.53
Other Accounts Receivable	10,107.12	
Due from Runnemede - Gasoline Interlocal	4,309.06	
Due from Board of Education - Gasoline Interlocal		38.19
Due from Fire Alliance - Gasoline Interlocal	79.12	
Total Income	<u>24,091,128.53</u>	<u>22,902,401.47</u>
<u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	2,297,565.79	2,255,338.91
Other Expenses	2,995,209.95	2,995,072.58
Deferred Charges and Statutory Expenditures	636,759.10	643,367.34
Excluded from "CAPS":		
Operations:		
Salaries and Wages	868.59	574.10
Other Expenses	498,864.94	148,094.24
Capital Improvements--Excluded from "CAPS"	60,000.00	60,000.00
Municipal Debt Service--Excluded from "CAPS"	1,213,892.44	1,235,195.62
Deferred Charges Municipal--Excluded from "CAPS"	27,000.00	27,000.00
Local District School Tax	10,398,488.00	10,173,691.00
County Taxes	4,528,956.98	4,480,739.67
Due County for Added and Omitted Taxes	15,204.25	8,116.99
Prior Year Senior Citizens and Veterans Disallowed	1,000.00	1,750.00
Creation of Reserve for:		
Due from Federal and State Grant Fund		34,813.89
Due from Trust Other Fund	56,478.55	
Due from General Capital Fund	103,119.11	14,110.50
Due from Board of Education - Gasoline Interlocal	558.87	
Due from Ambulance Association - Gasoline Interlocal	244.03	262.55
Due from Runnemede - Gasoline Interlocal		1,573.31
Due from Fire Alliance - Gasoline Interlocal		4.23
Other Accounts Receivable		6,552.09
Total Expenditures	<u>22,834,210.60</u>	<u>22,086,257.02</u>

(Continued)

BOROUGH OF BARRINGTON**CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Excess in Revenue	\$ 1,256,917.93	\$ 816,144.45
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year		100,000.00
Statutory Excess to Fund Balance	1,256,917.93	916,144.45
<u>Fund Balance</u>		
Balance Jan. 1	1,200,522.73	879,378.28
	2,457,440.66	1,795,522.73
Decreased by:		
Utilized as Revenue	621,000.00	595,000.00
Balance Dec. 31	<u>\$ 1,836,440.66</u>	<u>\$ 1,200,522.73</u>

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

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Anticipated</u> <u>N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 621,000.00	-	\$ 621,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	5,000.00		5,743.00	\$ 743.00
Fees and Permits - Other	10,000.00		17,493.00	7,493.00
Municipal Court Fines and Costs	144,000.00		106,453.68	(37,546.32)
Interest and Costs on Taxes	80,000.00		87,162.85	7,162.85
Interest on Investments and Deposits	9,000.00		9,985.32	985.32
Payment in Lieu of Taxes - P.I.L.O.T. Complex	85,000.00		191,386.44	106,386.44
Energy Receipts Taxes	633,587.00		633,587.00	
Consolidated Municipal Property Tax Relief Aid	67,093.00		67,093.00	
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
State and Federal Revenue Off-Set with Appropriations:				
Drunk Driving Enforcement Grant	3,000.00		3,000.00	
Municipal Drug Alliance Program	10,160.75		10,160.75	
Clean Communities Grant	16,659.91	\$ 14,153.64	30,813.55	
Alcohol Education and Rehabilitation Grant		868.59	868.59	
Recycling Tonnage Grant	54,117.12	16,914.34	71,031.46	
Body Armor Replacement Grant		1,705.18	1,705.18	
Bullet Proof Vest Partnership		1,010.00	1,010.00	
Camden County Regionalized DWI Enforcement				
Sobriety Checkpoint Grant	2,000.00		2,000.00	
Drive Sober or Get Pulled Over		11,000.00	11,000.00	
First Colonial Bank Grant	6,000.00		6,000.00	
Community Development Block Grant	25,400.00	300,000.00	325,400.00	
Click it or Ticket		5,500.00	5,500.00	
Donations - Playground		3,000.00	3,000.00	
Camden County Joint Insurance Fund		1,500.00	1,500.00	
Distracted Driver Crackdown	5,500.00		5,500.00	
Other Special Items:				
Reserve for the Payment of Debt	25,000.00		25,000.00	
Miscellaneous Revenues	1,181,517.78	355,651.75	1,622,393.82	85,224.29
Receipts from Delinquent Taxes	320,000.00	-	334,718.68	14,718.68
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	5,799,649.88	-	5,866,609.38	66,959.50
Budget Totals	7,922,167.66	355,651.75	8,444,721.88	166,902.47
Non-Budget Revenue	-	-	901,597.50	901,597.50
	<u>\$ 7,922,167.66</u>	<u>\$ 355,651.75</u>	<u>\$ 9,346,319.38</u>	<u>\$ 1,068,499.97</u>

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 20,291,699.57
Allocated to:	
County and School Taxes	14,942,649.23
Amount for Support of Municipal	
Budget Appropriations	5,349,050.34
Add: Appropriation "Reserve for Uncollected Taxes"	517,559.04
Amount for Support of Municipal Budget Appropriations	<u>\$ 5,866,609.38</u>

Collection of Delinquent Taxes - Prior Years Taxes	<u>\$ 334,718.68</u>
--	----------------------

Analysis of Non-Budget Revenues

Miscellaneous Revenue Not Anticipated:

Cash:

Registrar of Vital Statistics	\$ 3,873.44
Recycling	8,089.35
Senior Citizens and Veterans Administration Fee	1,375.07
Bus Shelter Advertising Fees	975.00
Property List	20.00
Gasoline Administration Fees	3,275.76
Cable TV Franchise Fees	108,745.39
Oaklyn Conrail Cleanup	3,500.00
DMV Inspection Reimbursement	13,168.17
Costs of Sale	3,714.27
Sale of Goods	23.00
Scrap Metal	995.40
Hall Rental Fees	26,895.00
FEMA Reimbursement	23,473.68
Redevelopment Reimbursement	389,647.78
Homestead Reimbursement	326.40
Insurance Dividends	215,641.01
Disability Reimbursement	2,564.41
Property Maintenance	8,826.91
Refund of Prior Year Expenditures	<u>14,303.77</u>
	\$ 829,433.81

Other:

Due From General Capital - Refund Prior Year Cost of Issuance	2,069.11
Due From Trust Other - Police Outside Service Fees - Traffic Control Administrative Fees	<u>70,094.58</u>
	<u>\$ 901,597.50</u>

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

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS"						
General Government						
Administrative and Executive						
Salaries and Wages	\$ 119,284.91	\$ 119,284.91	\$ 109,284.85		\$ 10,000.06	
Other Expenses	58,674.00	58,674.00	56,958.81	\$ 672.49	1,042.70	
Financial Administration						
Salaries and Wages	29,281.61	29,281.61	29,281.61			
Other Expenses	8,465.00	8,465.00	5,773.62	160.00	2,531.38	
Assessment of Taxes						
Salaries and Wages	58,236.87	58,236.87	57,700.62		536.25	
Other Expenses	2,250.00	2,250.00	1,692.11		557.89	
Collection of Taxes						
Salaries and Wages	31,221.15	31,221.15	31,221.15		0.00	
Other Expenses	2,185.00	2,185.00	1,535.52	26.07	623.41	
Legal Services and Costs						
Other Expenses	44,000.00	56,000.00	48,028.89	7,033.60	937.51	
Engineering Services and Costs						
Other Expenses	32,000.00	42,000.00	38,683.00	2,500.00	817.00	
Municipal Land Use Law (N.J.S.40:55D-1):						
Planning Board						
Salaries and Wages	7,730.00	7,740.00	7,730.04		9.96	
Other Expenses	5,150.00	5,150.00	3,851.39	889.60	409.01	
Mayor and Council						
Salaries and Wages	26,250.00	26,250.00	26,000.00		250.00	
Other Expenses	4,400.00	4,400.00	3,590.94	460.12	348.94	
Audit Service						
Other Expenses	30,000.00	30,000.00	30,000.00			
Insurance						
Group Plan for Employees	1,133,863.00	1,133,863.00	1,071,950.44	412.50	61,500.06	
Other Insurance Premiums	118,334.58	111,334.58	109,069.19		2,265.39	
Disability Insurance	1,800.00	1,800.00	1,007.68		792.32	
Workers Compensation Insurance	111,065.37	111,065.37	111,065.37			
Unemployment Compensation Insurance	8,800.00	8,800.00	7,572.13		1,227.87	
Opt out Payments	8,350.00	11,350.00	10,649.03		700.97	
Municipal Court						
Other Expenses	136,000.00	136,000.00	102,628.36	33,000.00	371.64	
Economic Development Committee						
Other Expenses	13,000.00	3,000.00			3,000.00	

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS" (CONT'D)						
<u>Public Safety</u>						
Police						
Salaries and Wages	\$ 1,457,962.32	\$ 1,457,962.32	\$ 1,402,887.05	\$ 20,000.00	\$ 15,075.27	\$ 20,000.00
Other Expenses	92,325.00	92,325.00	48,906.22	1,532.11	31,886.67	10,000.00
Municipal Prosecutor						
Salaries and Wages	9,000.00	9,000.00		9,000.00		
Ambulance Association						
Other Expenses	58,333.00	58,333.00	53,333.00		5,000.00	
Office of Emergency Management						
Salaries and Wages	3,000.00	3,000.00	3,000.00			
Other Expenses	17,220.00	17,220.00	4,550.00	2,893.50	9,776.50	
Fire						
Salaries and Wages	39,975.00	40,975.00	37,908.70	379.61	2,686.69	
Other Expenses:						
Fire Hydrant Service	60,000.00	60,000.00	54,205.94	4,961.00	833.06	
Miscellaneous Other Expenses	34,600.00	34,600.00	11,516.33	2,831.63	20,252.04	
<u>Streets and Roads</u>						
Road Repairs and Maintenance						
Salaries and Wages	490,463.93	495,463.93	492,379.94		3,083.99	
Other Expenses	106,852.00	101,852.00	74,211.35	22,595.06	5,045.59	
Trash Removal						
Other Expenses	249,421.00	239,421.00	194,674.87	19,324.00	25,422.13	
Public Buildings and Grounds						
Salaries and Wages	26,000.00	26,000.00	15,346.96		10,653.04	
Other Expenses	42,432.00	42,432.00	27,693.58	3,078.40	11,660.02	
Maintenance of Vehicles						
Other Expenses	49,500.00	54,500.00	41,080.64	9,982.06	3,437.30	
<u>Health and Welfare</u>						
Board of Health						
Salaries and Wages	6,150.00	6,150.00	5,537.80		612.20	
Other Expenses	12,000.00	12,000.00	6,774.23		5,225.77	
Environmental Commission (NJS 40:56A-1 et seq)						
Other Expenses	6,000.00	6,000.00			6,000.00	
<u>Recreation and Education</u>						
Parks and Playgrounds						
Salaries and Wages	7,000.00	7,000.00	5,349.92		1,650.08	
Other Expenses	30,200.00	30,200.00	26,875.70	351.38	2,972.92	

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Unclassified:						
Utilities:						
Gasoline	\$ 58,000.00	\$ 58,000.00	\$ 21,609.03	\$ 10,090.63	\$ 26,300.34	
Electricity	72,000.00	77,000.00	55,226.94	5,760.00	16,013.06	
Telecommunications	32,000.00	32,000.00	31,453.11	546.89		
Street Lighting	135,000.00	145,000.00	133,498.59	10,028.00	1,473.41	
Trash Disposal	230,000.00	210,990.00	114,040.51	81,107.99	15,841.50	
Water	7,000.00	7,000.00	4,760.68	1,930.00	309.32	
Total Operations --within "CAPS"	5,322,775.74	5,322,775.74	4,732,095.84	251,546.64	309,133.26	\$ 30,000.00
Detail:						
Salaries and Wages	2,311,555.79	2,317,565.79	2,223,628.64	29,379.61	44,557.54	20,000.00
Other Expenses (Including Contingent)	3,011,219.95	3,005,209.95	2,508,467.20	222,167.03	264,575.72	10,000.00
DEFERRED CHARGES AND STATUTORY EXPENDITURES --MUNICIPAL--WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	132,416.89	132,416.89	132,416.89			
Social Security System (O.A.S.I.)	201,605.04	201,605.04	197,983.52		3,621.52	
Police and Firemens Retirement System	302,737.17	302,737.17	302,737.17			
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	636,759.10	636,759.10	633,137.58	-	3,621.52	-
Total General Appropriations for Municipal Purposes Within--"CAPS"	5,959,534.84	5,959,534.84	5,365,233.42	251,546.64	312,754.78	30,000.00
OPERATIONS-- EXCLUDED FROM "CAPS"						
Solid Waste Disposal - Recycling Tax (P.L. 2007, c.311)	2,900.00	2,900.00	2,900.00			
Length of Service Award Program -- LOSAP	15,000.00	15,000.00		15,000.00		
State and Federal Programs Off-set by Revenues:						
Clean Communities Grant (40A:4-87 \$14,153.64)	16,659.91	30,813.55	30,813.55			
Community Development Block Grant (40A:4-87 \$300,000.00)	25,400.00	325,400.00	325,400.00			
Camden County Regionalized DWI Enforcement						
Sobriety Checkpoint Grant	2,000.00	2,000.00	2,000.00			
Municipal Drug Alliance Program - State Share	13,504.75	13,504.75	13,504.75			
Recycling Tonnage Grant (40A:4-87 \$16,914.34)	54,117.12	71,031.46	71,031.46			

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS-- EXCLUDED FROM "CAPS" (CONT'D)</u>						
<u>State and Federal Programs Off-set by Revenues (Cont'd):</u>						
Alcohol Education and Rehabilitation Grant (40A:4-87 \$868.59)		\$ 868.59	\$ 868.59			
Body Armor Replacement Grant (40A:4-87 \$1,705.18)		1,705.18	1,705.18			
Bullet Proof Vest Partnership (40A:4-87 \$1,010.00)		1,010.00	1,010.00			
Camden County Joint Insurance Fund (40A:4-87 \$1,500.00)		1,500.00	1,500.00			
Click It or Ticket (40A:4-87 \$5,500.00)		5,500.00	5,500.00			
Distracted Driving Crackdown	\$ 5,500.00	5,500.00	5,500.00			
Drive Sober or Get Pulled Over (40A:4-87 \$11,000.00)		11,000.00	11,000.00			
Drunk Driving Enforcement Grant (40A:4-87 \$871.77)	3,000.00	3,000.00	3,000.00			
Donations: Playground (40A:4-87 \$3,000.00)		3,000.00	3,000.00			
First Colonial Bank Grant	6,000.00	6,000.00	6,000.00			
Total Operations Excluded from "CAPS"	144,081.78	499,733.53	484,733.53	\$ 15,000.00	-	-
Detail:						
Salaries and Wages	10,500.00	868.59	868.59			
Other Expenses	133,581.78	498,864.94	483,864.94	15,000.00		
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	60,000.00	60,000.00	60,000.00			
Total Capital Improvements	60,000.00	60,000.00	60,000.00	-	-	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	848,000.00	848,000.00	848,000.00			
Interest on Bonds	330,213.00	330,213.00	330,213.00			
Interest on Notes	35,779.00	35,779.00	35,679.44			\$ 99.56
Total Municipal Debt Service-- Excluded from "CAPS"	1,213,992.00	1,213,992.00	1,213,892.44	-	-	99.56
<u>DEFERRED CHARGES--EXCLUDED FROM "CAPS"</u>						
Special Emergency (N.J.S.A. 40A:4-55)	27,000.00	27,000.00	27,000.00			
Total Deferred Charges	27,000.00	27,000.00	27,000.00	-	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,445,073.78	1,800,725.53	1,785,625.97	15,000.00	-	99.56

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Subtotal General Appropriations	\$ 7,404,608.62	\$ 7,760,260.37	\$ 7,150,859.39	\$ 266,546.64	\$ 312,754.78	\$ 30,099.56
Reserve for Uncollected Taxes	<u>517,559.04</u>	<u>517,559.04</u>	<u>517,559.04</u>			
Total General Appropriations	<u>\$ 7,922,167.66</u>	<u>\$ 8,277,819.41</u>	<u>\$ 7,668,418.43</u>	<u>\$ 266,546.64</u>	<u>\$ 312,754.78</u>	<u>\$ 30,099.56</u>
Adopted Budget		\$ 7,922,167.66				
Appropriations by N.J.S.A. 40A:4-87		<u>355,651.75</u>				
		<u>\$ 8,277,819.41</u>				
Disbursed			\$ 6,641,742.98			
Reserve for Uncollected Taxes			517,559.04			
Special Emergency Authorization			27,000.00			
Due Trust Other Fund			282.88			
Reserve for Federal and State Grant Funds - Appropriated			<u>481,833.53</u>			
			<u>\$ 7,668,418.43</u>			

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

BOROUGH OF BARRINGTON
TRUST FUNDS

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 11,485.75	\$ 14,408.98
Fire Prevention Trust Fund:			
Cash	SB-1	40,216.33	48,164.82
Other Funds:			
Cash	SB-1	724,550.96	504,853.40
Accounts Receivable	SB-11	7,890.00	61,395.00
Investments - Length of Service Award Program	SB-2	127,179.97	115,814.57
Due General Capital Fund	B	38,621.48	38,621.48
Due Current Fund	SB-5		13,469.68
Due Fire Prevention Trust Fund	SB-1	5,000.00	10,000.00
		903,242.41	744,154.13
		<u>\$ 954,944.49</u>	<u>\$ 806,727.93</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-3	\$ 9,856.73	\$ 10,483.08
Reserve for Encumbrances	SB-3	1,629.02	3,925.90
		11,485.75	14,408.98
Fire Prevention Trust Fund:			
Due Trust Other Fund	SB-1	5,000.00	10,000.00
Reserve for Encumbrances	SB-8	1,340.00	535.02
Reserve for Fire Prevention	SB-8	33,876.33	37,629.80
		40,216.33	48,164.82

(Continued)

BOROUGH OF BARRINGTON**TRUST FUNDS**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>LIABILITIES AND RESERVES (CONT'D)</u>			
Other Funds:			
Due State of New Jersey - State Training Fees	SB-9	\$ 1,393.00	\$ 1,950.00
Payroll Deductions Payable	SB-4	2,498.79	2,281.07
Reserve for Encumbrances	SB-6	18,301.25	6,817.00
Due Current Fund	SB-5	56,478.55	
Reserve for Construction Code Enforcement Fees	SB-7	176,562.65	141,790.64
Reserve for Escrow Deposits	SB-10	219,570.83	237,497.88
Reserve for DARE Program	SB-10	118.47	118.47
Reserve for Street Opening Deposits	SB-10	5,357.75	8,466.00
Reserve for Parking Adjudication Act	SB-10	1,327.00	1,221.00
Reserve for Public Defender	SB-10	4,567.11	2,271.44
Reserve for Drug Alliance Fund Raising	SB-10	0.37	0.37
Reserve for Tax Sale Premium	SB-10	151,000.00	182,300.00
Reserve for Prosecutor Forfeiture Funds	SB-10	6,647.18	4,101.43
Reserve for Economic Development Landscaping	SB-10	44.32	44.32
Reserve for Recreation	SB-10	2,325.00	2,325.00
Reserve for Barrington Centennial Donations	SB-10	33,985.11	1,166.00
Reserve for Beautification and Property Maintenance	SB-10	94,723.06	35,026.94
Reserve for ABLE Food Donations	SB-10	1,162.00	962.00
Reserve for Length of Service Award Program	SB-10	127,179.97	115,814.57
		<u>903,242.41</u>	<u>744,154.13</u>
		<u>\$ 954,944.49</u>	<u>\$ 806,727.93</u>

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

BOROUGH OF BARRINGTON**GENERAL CAPITAL FUND**

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

As of December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash	SC-1	\$ 266,595.53	\$ 351,610.87
Accounts Receivable:			
Due From State of New Jersey:			
Department of Transportation	SC-9	360,807.80	941,368.57
Other	SC-1		7,000.00
Deferred Charges to Future Taxation:			
Funded	SC-4	9,262,000.00	10,110,000.00
Unfunded	SC-3	4,468,286.15	4,408,238.92
		<u>\$ 14,357,689.48</u>	<u>\$ 15,818,218.36</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-13	\$ 9,262,000.00	\$ 10,110,000.00
Bond Anticipation Notes	SC-14	3,774,250.00	3,774,250.00
Improvement Authorizations:			
Funded	SC-5	289,348.82	471,416.85
Unfunded	SC-5	268,842.62	150,386.88
Capital Improvement Fund	SC-10	128,547.14	78,547.14
Reserve for Encumbrances	SC-7	9,659.24	33,297.24
Reserve for New Jersey Department of Transportation	SC-11		149,910.67
Contracts Payable	SC-8	188,342.53	691,829.56
Due Current Fund	SC-6	117,229.61	14,110.50
Due Trust Other Fund	SC-1	38,621.48	38,621.48
Due Sewer Capital Fund	C	196,050.00	196,050.00
Reserve for Payment of Debt	SC-12	81,639.16	106,639.16
Fund Balance	C	3,158.88	3,158.88
		<u>\$ 14,357,689.48</u>	<u>\$ 15,818,218.36</u>

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

BOROUGH OF BARRINGTON**SEWER UTILITY FUNDS**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Operating Fund:			
Cash	SD-1	\$ 154,376.37	\$ 134,297.07
Due Current Fund	SD-4	420.00	
Due Sewer Utility Capital Fund	SD-8	47,896.09	48,822.09
		<u>202,692.46</u>	<u>183,119.16</u>
Receivables with Full Reserves:			
Accounts Receivable	D-1;SD-1		94.12
Sewer Rents Receivable	SD-4	62,519.41	54,069.17
		<u>62,519.41</u>	<u>54,163.29</u>
Total Operating Fund		<u>265,211.87</u>	<u>237,282.45</u>
Capital Fund:			
Cash	SD-1	93,571.81	133,766.71
Due General Capital Fund	D	196,050.00	196,050.00
USDA Loan Receivable	D	2,044,000.00	2,044,000.00
Fixed Capital	SD-6	3,178,521.23	3,135,182.63
Fixed Capital Authorized and Uncompleted	SD-7	2,085,000.00	2,128,338.60
Total Capital Fund		<u>7,597,143.04</u>	<u>7,637,337.94</u>
		<u>\$ 7,862,354.91</u>	<u>\$ 7,874,620.39</u>

(Continued)

BOROUGH OF BARRINGTON**SEWER UTILITY FUNDS**

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

As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Reserve for Encumbrances	D-3;SD-9	\$ 9,036.81	\$ 23,513.66
Appropriation Reserves	D-3;SD-9	84,064.04	32,204.55
Accounts Payable	D-1		600.00
Sewer Rents Overpayments	SD-5	3,040.07	1,460.90
Accrued Interest on Bonds, Notes & Loans	SD-10	6,205.21	6,930.21
		<u>102,346.13</u>	<u>64,709.32</u>
Reserve for Receivables	D	62,519.41	54,163.29
Fund Balance	D-1	100,346.33	118,409.84
		<u>100,346.33</u>	<u>118,409.84</u>
Total Operating Fund		<u>265,211.87</u>	<u>237,282.45</u>
Capital Fund:			
Bond Anticipation Notes	SD-16	1,992,000.00	2,018,000.00
New Jersey Environmental Infrastructure Trust Loan	SD-15	361,703.93	417,090.40
General Obligation Bonds	SD-14	175,000.00	195,000.00
Improvement Authorizations:			
Funded	SD-13	40,875.00	44,718.92
Unfunded	SD-13	192,085.49	228,688.80
Reserve for Amortization	SD-12	2,731,267.30	2,628,954.83
Deferred Reserve for Amortization	SD-11	3,550.00	3,550.00
Capital Improvement Fund	D	7,850.00	7,850.00
Reserve for USDA Loan Receivable	D	2,044,000.00	2,044,000.00
Accrued Interest on Notes	SD-10	915.23	662.90
Due Sewer Utility Operating Fund	SD-8	47,896.09	48,822.09
		<u>7,597,143.04</u>	<u>7,637,337.94</u>
Total Capital Fund		<u>7,597,143.04</u>	<u>7,637,337.94</u>
		<u>\$ 7,862,354.91</u>	<u>\$ 7,874,620.39</u>

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

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Operating Surplus Anticipated	\$ 60,000.00	\$ 63,065.00
Sewer Rents and Liens	743,192.09	762,426.94
Miscellaneous	12,552.62	21,634.50
Other Credits to Income:		
Cancellation of Accounts Payable	600.00	
Liquidation of Reserve for Accounts Receivable	94.12	
Unexpended Balance of Appropriation Reserves	32,700.10	27,419.47
	<u>849,138.93</u>	<u>874,545.91</u>
Total Income		
	<u>849,138.93</u>	<u>874,545.91</u>
<u>Expenditures</u>		
Operating	650,283.05	652,371.97
Deferred Charges and Statutory Expenditures	44,162.76	41,943.03
Debt Service	112,756.62	115,729.83
Cancellation of Accounts Receivable	0.01	
Creation of Reserve for Accounts Receivable		94.12
	<u>807,202.44</u>	<u>810,138.95</u>
Total Expenditures		
	<u>807,202.44</u>	<u>810,138.95</u>
Excess in Revenue	41,936.49	64,406.96
<u>Fund Balance</u>		
Balance Jan. 1	<u>118,409.84</u>	<u>117,067.88</u>
	160,346.33	181,474.84
Decreased by:		
Utilized as Revenue	<u>60,000.00</u>	<u>63,065.00</u>
Balance Dec. 31	<u>\$ 100,346.33</u>	<u>\$ 118,409.84</u>

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

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Sewer Operating Surplus Anticipated	\$ 60,000.00	\$ 60,000.00	
Sewer Rents	741,500.00	743,192.09	\$ 1,692.09
Miscellaneous	<u>10,000.00</u>	<u>12,552.62</u>	<u>2,552.62</u>
	<u><u>\$ 811,500.00</u></u>	<u><u>\$ 815,744.71</u></u>	<u><u>\$ 4,244.71</u></u>

Analysis of Realized Revenues:

Sewer Rents Receivable:

Collections	\$ 741,731.19
Overpayments Applied	<u>1,460.90</u>
	<u><u>\$ 743,192.09</u></u>

Treasurer:

Interest on Deposits	\$ 769.19
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Collector:

Miscellaneous	4,000.00
Interest and Costs on Delinquent Accounts	<u>7,783.43</u>
	<u><u>\$ 12,552.62</u></u>

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

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbrances</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 362,739.70	\$ 362,739.70	\$ 343,206.68		\$ 19,533.02	
Other Expenses	287,543.35	287,543.35	214,943.83	\$ 9,036.81	63,562.71	
Total Operating	650,283.05	650,283.05	558,150.51	9,036.81	83,095.73	-
Debt Service:						
Payment of Bonds	20,000.00	20,000.00	20,000.00			
Payment of Bond Anticipation Notes and Capital Notes	26,000.00	26,000.00	26,000.00			
Interest on Bonds	4,350.00	4,510.00	4,510.00			
Interest on Notes	662.90	662.90				\$ 662.90
New Jersey Infrastructure Loan	66,041.29	65,881.29	62,246.62			3,634.67
	117,054.19	117,054.19	112,756.62	-	-	4,297.57
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Deficit in Ordinances 782 and 1006h	926.00	926.00	926.00			
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	14,386.76	14,386.76	14,386.76			
Social Security System (O.A.S.I.)	26,500.00	26,500.00	26,268.04		231.96	
Unemployment Compensation Insurance (N.J.S.43:21-3 et seq.)	2,000.00	2,000.00	1,411.85		588.15	
Disability Insurance	350.00	350.00	201.80		148.20	
Total Deferred Charges and Statutory Expenditures	44,162.76	44,162.76	43,194.45	-	968.31	-
	<u>\$ 811,500.00</u>	<u>\$ 811,500.00</u>	<u>\$ 714,101.58</u>	<u>\$ 9,036.81</u>	<u>\$ 84,064.04</u>	<u>\$ 4,297.57</u>
Disbursed			\$ 702,335.23			
Refunds			(529.80)			
Deferred Charge			926.00			
Accrued Interest on Bonds and Notes			11,370.15			
			<u>\$ 714,101.58</u>			

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

BOROUGH OF BARRINGTON
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Additions</u>	Balance <u>Dec. 31, 2017</u>
General Fixed Assets:			
Land and Improvements	\$ 1,874,055.00	\$ 32,822.00	\$ 1,906,877.00
Buildings	1,683,800.00		1,683,800.00
Machinery and Equipment	<u>4,045,025.99</u>	<u>237,778.20</u>	<u>4,282,804.19</u>
	<u>\$ 7,602,880.99</u>	<u>\$ 270,600.20</u>	<u>\$ 7,873,481.19</u>
Investment in General Fixed Assets:			
General Capital Fund	<u>\$ 7,602,880.99</u>	<u>\$ 270,600.20</u>	<u>\$ 7,873,481.19</u>

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

BOROUGH OF BARRINGTON
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Barrington (hereafter referred to as the "Borough") was incorporated as a borough on March 27, 1917 from portions of the now-defunct Centre Borough. The Borough, located in Camden County, New Jersey, has a total area of approximately one and a half square miles, and is located approximately twenty miles southeast of the City of Philadelphia. The Borough borders the Boroughs of Bellmawr, Haddon Heights, Haddonfield, Lawnside, Magnolia, Runnemede, and Tavistock. According to the 2010 census, the population is 6,983.

The Borough is governed under the Borough form of government. The governing body consists of a Mayor and a Council comprising six members, with all positions elected at-large on a partisan basis as part of the November general election. The Mayor is elected directly by the voters to a four-year term of office. The council members are elected to serve three-year terms on a staggered basis, with two seats coming up for election each year. Legislative and executive power is vested in the Council.

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

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

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

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

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

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

Sewer Utility Operating and Capital Funds - The sewer utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned sewer operations.

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

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

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

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Borough's length of service awards program, however, are stated at fair value.

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

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

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

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

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

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

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

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

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

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

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

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

Fund Balance - Fund balances included in the current fund and sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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

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

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

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

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

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

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

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

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2017, the Borough's bank balances of \$4,685,569.88 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 4,300,771.68
Uninsured and Uncollateralized	<u>384,798.20</u>
Total	<u><u>\$ 4,685,569.88</u></u>

Note 3: PROPERTY TAXES

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

	<u>Year Ended</u>				
	<u>2017*</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Tax Rate	<u>\$ 4.189</u>	<u>\$ 3.751</u>	<u>\$ 3.628</u>	<u>\$ 3.475</u>	<u>\$ 3.329</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.172	\$ 1.045	\$ 1.007	\$.966	\$.903
County	.916	.828	.823	.792	.758
Local School	2.101	1.878	1.798	1.717	1.668

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017*	\$ 494,848,520.00
2016	541,849,006.00
2015	545,352,978.00
2014	552,187,554.00
2013	559,523,245.00

*Reassessment

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$ 20,798,736.59	\$ 20,291,699.57	97.56%
2016	20,361,053.12	19,918,164.06	97.82%
2015	19,808,263.65	19,361,528.87	97.74%
2014	19,199,745.39	18,826,707.94	98.06%
2013	18,631,132.44	17,669,541.10	94.84%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2017	\$ 61,703.16	\$ 507,789.10	\$ 569,492.26	2.74%
2016	60,031.74	371,396.12	431,427.86	2.12%
2015	56,295.73	370,588.36	426,884.09	2.16%
2014	52,682.24	375,881.72	428,563.96	2.23%
2013	49,221.13	408,522.94	457,744.07	2.46%

Note 3: PROPERTY TAXES (CONT'D)

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

<u>Year</u>	<u>Number</u>
2017	7
2016	7
2015	7
2014	7
2013	7

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2017	\$ 179,000.00
2016	179,000.00
2015	244,000.00
2014	244,000.00
2013	244,000.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u>				<u>Cash</u>
	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Collections</u>
2017	\$ 54,069.17	-	\$ 751,642.33	\$ 805,711.50	\$ 743,192.09
2016	64,671.53	-	751,824.58	816,496.11	762,426.94
2015	59,291.94	-	753,633.35	812,925.29	748,253.76
2014	63,485.08	-	726,479.90	789,964.98	730,309.26
2013	62,169.29	-	725,665.70	787,834.99	724,349.91

Note 6: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 1,836,440.66	\$ 934,121.46	50.87%
2016	1,200,522.73	621,000.00	51.73%
2015	879,378.28	595,000.00	67.66%
2014	746,155.69	500,000.00	67.01%
2013	303,332.75	215,000.00	70.88%

Sewer Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 100,346.33	\$ 60,000.00	59.79%
2016	118,409.84	60,000.00	50.67%
2015	117,067.88	63,065.00	53.87%
2014	121,835.07	67,200.00	55.16%
2013	80,627.46	46,600.82	57.80%

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2017:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 173,708.16	\$ 420.00
Trust - Fire Prevention		5,000.00
Trust - Other	43,621.48	56,478.55
General Capital		351,901.09
Sewer Utility - Operating	48,316.09	
Sewer Utility - Capital	196,050.00	47,896.09
Totals	<u>\$ 461,695.73</u>	<u>\$ 461,695.73</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2018, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, eligible Borough employees may participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pension and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

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

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

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually. Currently the Borough has no one participating in this program.

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

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10% in State fiscal year 2017. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2017 was 13.91% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$158,434.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$145,633.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$82,782.88.

Police and Firemen's Retirement System - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was 10% in State fiscal year 2017. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

The Borough's contractually required contribution rate for the year ended December 31, 2017 was 27.29% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$328,589.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$302,466.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$121,264.90.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2017 was 2.67% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2017 is \$32,103.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2016 was \$22,802.00, which was paid on April 1, 2017.

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

The Borough adopted a Defined Contribution Retirement Program on December 30, 2009. Currently, there are no participants in the program.

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

Public Employees' Retirement System - At December 31, 2017, the Borough's proportionate share of the PERS net pension liability was \$3,981,128.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Borough's proportion was 0.0171022412%, which was an increase of 0.0007092491% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$368,719.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Borough's contribution to PERS was \$145,633.00, and was paid on April 1, 2017.

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

Police and Firemen's Retirement System - At December 31, 2017, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 5,731,834.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>642,014.00</u>
	<u>\$ 6,373,848.00</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Borough's proportion was 0.0371279262%, which was an increase of 0.0000310366% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0371279262%, which was an increase of 0.0000310366% from its proportion, on-behalf of the Borough, measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$502,642.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Borough's contribution to PFRS was \$302,466.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the Plan as of the June 30, 2017 measurement date is \$78,533.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

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

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2017, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 93,742.00	\$ 37,185.00	\$ 130,927.00	\$ -	\$ 33,641.00	\$ 33,641.00
Changes of Assumptions	802,060.00	706,799.00	1,508,859.00	799,120.00	938,707.00	1,737,827.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	27,109.00	109,377.00	136,486.00	-	-	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	303,395.00	20,683.00	324,078.00	53,786.00	86,762.00	140,548.00
Borough Contributions Subsequent to the Measurement Date	79,217.00	164,295.00	243,512.00	-	-	-
	<u>\$ 1,305,523.00</u>	<u>\$ 1,038,339.00</u>	<u>\$ 2,343,862.00</u>	<u>\$ 852,906.00</u>	<u>\$ 1,059,110.00</u>	<u>\$ 1,912,016.00</u>

\$79,217.00 and \$164,295.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the Borough's year end of December 31, 2017.

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

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

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

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

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ 173,480.00	\$ 52,279.00	\$ 225,759.00
2019	221,185.00	171,428.00	392,613.00
2020	142,611.00	(20,938.00)	121,673.00
2021	(94,347.00)	(272,454.00)	(366,801.00)
2022	(69,529.00)	(115,381.00)	(184,910.00)
	<u>\$ 373,400.00</u>	<u>\$ (185,066.00)</u>	<u>\$ 188,334.00</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation Rate	2.25%	2.25%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

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

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

For PFRS, preretirement mortality rates were based on the RP-2000 Preretirement 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 three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

For PERS and PFRS, 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 rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.58% 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 rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2040 for PERS and through 2057 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

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

Public Employees' Retirement System (PERS) - The following presents the Borough's proportionate share of the net pension liability at June 30, 2017, the Plan's measurement date, calculated using a discount rate of 5.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Borough's Proportionate Share of the Net Pension Liability	\$ 4,938,860.00	\$ 3,981,128.00	\$ 3,183,219.00

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of June 30, 2017, the Plan's measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 6.14%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	PFRS		
	1% Decrease (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Borough's Proportionate Share of the Net Pension Liability	\$ 7,552,163.00	\$ 5,731,834.00	\$ 4,236,226.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	845,906.32	642,014.00	474,493.28
	<u>\$ 8,398,069.32</u>	<u>\$ 6,373,848.00</u>	<u>\$ 4,710,719.28</u>

Pension Plan Fiduciary Net Position

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

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

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0171022412%	0.0163929921%	0.0168154766%
Borough's Proportionate Share of the Net Pension Liability	\$ 3,981,128.00	\$ 4,855,134.00	\$ 3,774,738.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,135,656.00	\$ 1,127,728.00	\$ 1,144,856.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	350.56%	430.52%	329.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0152815628%	0.0147765120%	
Borough's Proportionate Share of the Net Pension Liability	\$ 2,861,127.00	\$ 2,824,085.00	
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,056,804.00	\$ 1,042,032.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	270.73%	271.02%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 158,434.00	\$ 145,633.00	\$ 144,568.00
Borough's Contribution in Relation to the Contractually Required Contribution	(158,434.00)	(145,633.00)	(144,568.00)
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Borough's Covered Payroll (Calendar Year)	\$ 1,139,027.00	\$ 1,139,334.00	\$ 1,111,310.00
Borough's Contributions as a Percentage of Covered Payroll	13.91%	12.78%	13.01%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 125,979.00	\$ 111,338.00	
Borough's Contribution in Relation to the Contractually Required Contribution	(125,979.00)	(111,338.00)	
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	
Borough's Covered Payroll (Calendar Year)	\$ 1,113,194.00	\$ 1,053,650.00	
Borough's Contributions as a Percentage of Covered Payroll	11.32%	10.57%	

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0371279262%	0.0370968896%	0.0378872707%
Borough's Proportionate Share of the Net Pension Liability	\$ 5,731,834.00	\$ 7,086,455.00	\$ 6,310,699.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	642,014.00	595,086.00	553,427.00
Total	<u>\$ 6,373,848.00</u>	<u>\$ 7,681,541.00</u>	<u>\$ 6,864,126.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,201,820.00	\$ 1,149,892.00	\$ 1,199,816.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	476.93%	616.27%	525.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0381434447%	0.0377841843%	
Borough's Proportionate Share of the Net Pension Liability	\$ 4,798,092.00	\$ 5,023,066.00	
State's Proportionate Share of the Net Pension Liability associated with the Borough	516,674.00	468,211.00	
Total	<u>\$ 5,314,766.00</u>	<u>\$ 5,491,277.00</u>	
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,204,760.00	\$ 1,185,792.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	398.26%	423.60%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 328,589.00	\$ 302,466.00	\$ 307,967.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(328,589.00)</u>	<u>(302,466.00)</u>	<u>(307,967.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,203,898.00	\$ 1,189,396.00	\$ 1,136,347.00
Borough's Contributions as a Percentage of Covered Payroll	27.29%	25.43%	27.10%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 292,968.00	\$ 275,665.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(292,968.00)</u>	<u>(275,665.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 1,167,259.00	\$ 1,159,313.00	
Borough's Contributions as a Percentage of Covered Payroll	25.10%	23.78%	

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

Changes in Benefit Terms - None

Changes in Assumptions - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Police and Firemen's Retirement System (PFRS)

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

Changes in Assumptions - For 2017, the discount rate changed to 6.14% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%, and the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 5.79% and demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study. For 2014, the discount rate was 6.32%.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Borough's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Borough's trust fund, was created by a Borough Resolution adopted on February 10, 2004 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The voters of the Borough approved the adoption of the Plan at the general election held on November 5, 2002, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2004. The Plan provides tax deferred income benefits to active volunteer firefighters, and is administered by the Variable Annuity Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Borough of Barrington, consisting of the volunteer fire company, come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendments - The Borough may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Borough, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Borough's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Borough's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Borough shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Borough may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Borough shall notify all participants in writing prior to making any amendment to the Plan.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Borough elected to contribute between \$500.00 and \$1,500.00 for the year ended December 31, 2017, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Participant Accounts (Cont'd) - The contributions from the Borough to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Borough. These funds, however, are not available for funding the operations of the Borough.

Vesting - The Borough, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Payment of Benefits - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts - For the year ended December 31, 2017, no accounts were forfeited.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

Plan Information - Additional information about the Borough's length of service awards program can be obtained by contacting the Plan Administrator.

Supplementary Length of Service Award Program Information

In accordance with GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, the following schedule of Borough contributions to the length of service award program is presented.

<u>For the Year Ended</u>	<u>Borough's Plan Calculated Contribution</u>	<u>Borough's Contribution in Relation to the Plan Calculated</u>	<u>Borough's Plan Calculated Contribution Deficiency (Excess)</u>
2017			\$ -
2016	\$ 31,000.00	\$ 31,000.00	
2015			
2014			
2013	9,900.00	9,900.00	
2012			
2011			
2010			
2009			
2008	10,800.00	10,800.00	

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description - The Borough contributes to the Southern New Jersey Regional Employee Benefits Fund (the "SNJREBF"), the administrator for the agent multiple employer defined benefit postemployment healthcare plan. SNJREBF provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, and prescription plan. The Borough's plan covers the following retiree population: eligible retirees who retire from active employment with the Borough who have at least twenty (25) years of service with the Borough. Coverage is provided for the retirees and their spouse until they begin receiving benefits under Medicare and/or Medicaid programs sponsored by the United States of America, providing the retirees have no other medical coverage. Currently, forty-one (41) retirees and thirty-four (34) active members meet these eligibility requirements. This provision is part of a Labor Agreement between the Borough, and the Fraternal Order of Police Local 328 and the American Federation of State, County and Municipal Employees AFL-CIO Council 71. The plan is administered by the Borough; therefore, premium payments are made directly to the insurance carriers. Reimbursements by the retirees are paid in monthly installments after the Borough provides the retirees with a detailed accounting of the costs.

Funding Policy - The contribution requirements of plan members and the Borough are established and may be amended by the Borough's governing body.

Retirees - The Borough presently funds its current retiree postemployment benefit costs on a "pay-as-you-go" basis. The Borough's contributions to the plan for the years ended December 31, 2017, 2016, and 2015 were \$579,900.00, \$572,256.00, and \$475,841.00, respectively.

Future Retirees - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Borough is required to disclose the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be \$1,010,861.00 at an unfunded discount rate of 4.5%. As stated above, the Borough has funded the cost of existing retirees in the amount of \$579,900.00, and has incurred the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

Annual OPEB Cost - For year ended December 31, 2017, the Borough's annual OPEB cost (expense) of \$989,461.00 for the plan was equal to the ARC plus certain adjustments because the Borough's actual contributions in prior years differed from the ARC. The Borough's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2017, 2016, and 2015 are as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Required Contribution (ARC)	\$ 1,010,861.00	\$ 614,678.00	\$ 614,678.00
Interest on the Net OPEB Obligation	58,500.00	57,600.00	52,200.00
Adjustment to the ARC	<u>(79,900.00)</u>	<u>(78,500.00)</u>	<u>(71,200.00)</u>
Annual OPEB Cost	989,461.00	593,778.00	595,678.00
Pay-as-You Go Cost (Existing Retirees)	<u>(602,988.00)</u>	<u>(572,256.00)</u>	<u>(475,841.00)</u>
Increase (Decrease) in the Net OPEB Obligation	386,473.00	21,522.00	119,837.00
Net OPEB Obligation, January 1	<u>1,299,923.85</u>	<u>1,278,401.85</u>	<u>1,158,564.85</u>
Net OPEB Obligation, December 31	<u>\$ 1,686,396.85</u>	<u>\$ 1,299,923.85</u>	<u>\$ 1,278,401.85</u>
Percentage of Annual OPEB Cost Contributed	60.9%	96.4%	79.9%

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Funded Status and Funding Progress - The funded status of the plan as of the three past actuarial valuation dates is as follows:

	<u>2017</u>	<u>2014</u>	<u>2010</u>
Actuarial Accrued Liability (AAL)	\$ 14,374,856.00	\$ 8,564,811.00	\$ 8,985,783.00
Actuarial Value of Plan Assets	-	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 14,374,856.00</u>	<u>\$ 8,564,811.00</u>	<u>\$ 8,985,783.00</u>
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0.0%	0.0%	0.0%
Covered Payroll (Active Plan Members)	\$ 3,164,453.07	\$ 2,835,598.20	\$ 2,564,253.46
UAAL as a Percentage of Covered Payroll	454.3%	302.0%	350.4%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, as shown above, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions - The projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2017 actuarial valuation, the projected unit credit actuarial cost method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The actuarial assumptions included the following:

- *Mortality.* RP 2000 Combined Healthy Male Mortality Rates set forward three years.
- *Turnover.* NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility.
- *Assumed Retirement Age.* at first eligibility after completing 25 years of service.
- *Full Attribution Period.* service to assumed retirement age.
- *Annual Discount Rate.* Future costs have been discounted at the rate of 4.5% compounded annually for GASB 45 purposes.
- *Rates of Retirement, Rates of Withdrawal, and Rates of Disability.* The same table used to value the Public Employees' Retirement System of New Jersey - Local liability.
- *Medical Trend.* 6% in 2017, reducing by .1% per annum, leveling at 5% per annum in 2026.
- *Medical Cost Aging Factor.* NJSHBP Medical Morbidity Rates
- *Retiree Contributions.* Contribution rate in effect when they retire

Note 11: COMPENSATED ABSENCES

In certain instances as set forth by the collective bargaining agreement and/or approval of the governing body, compensatory time may be accumulated from year to year for police officers and shall be paid at 1.5 times the rate at which it was earned. At December 31, 2017, there was no accrued liability.

In certain instances as set forth by the collective bargaining agreement and/or approval of the governing body, sick leave may be sold back at the end of the year for administrative staff. Sick time may be sold to employees at the employee's rate. A maximum of 5 days may be sold and at December 31, 2017 the amount is estimated to be \$21,373.82.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 13: LEASE OBLIGATIONS

At December 31, 2017, the Borough had lease agreements in effect for the following:

Capital:

- One (1) Ford Transit Van
- Two (2) Ford Police Interceptors

Operating:

- One (1) Copy Machine
- One (1) Postage Meter

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

<u>Description</u>	<u>Balance at December 31,</u>	
	<u>2017</u>	<u>2016</u>
Vehicles	\$ 50,855.90	\$ 14,656.65

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 23,480.58	\$ 1,947.37	\$ 25,427.95
2019	24,433.42	994.53	25,427.95
Total	<u>\$ 47,914.00</u>	<u>\$ 2,941.90</u>	<u>\$ 50,855.90</u>

Note 13: LEASE OBLIGATIONS (CONT'D)

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

<u>Year</u>	<u>Amount</u>
2018	\$ 5,159.64
2019	4,759.70
2020	2,760.00
2021	2,760.00
2022	460.00

Rental payments under operating leases for the year 2017 were \$5,159.64.

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

General Improvement Bonds, Series 2010 - On November 1, 2010, the Borough issued \$3,640,000.00 of general improvement bonds, with interest rates ranging from 2.0% to 4.0%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is November 1, 2026.

General Improvement Bonds, Series 2014 - On July 1, 2014, the Borough issued \$2,105,000.00 in general improvement bonds, with interest rates ranging from 2.0% to 2.75% and \$3,780,000.00 in taxable general obligation bonds, with interest rates ranging from 4.0% to 5.0%. The purpose of the bonds is to fund various capital projects in the Borough. The final maturity of the bonds is July 1, 2023 for the general improvement bonds and July 1, 2039 for the taxable general obligation bonds.

General Improvement Refunding Bonds, Series 2016 - On November 9, 2016, the Borough issued \$1,600,000.00 in general improvement refunding bonds, with an interest rate of 1.26%, to refund the callable general improvement bonds, series 2005. The final maturity of the bonds is October 1, 2019.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 868,000.00	\$ 317,084.20	\$ 1,185,084.20
2019	1,079,000.00	300,520.40	1,379,520.40
2020	720,000.00	280,225.00	1,000,225.00
2021	720,000.00	260,050.00	980,050.00
2022	820,000.00	238,000.00	1,058,000.00
2023-2027	2,905,000.00	784,300.00	3,689,300.00
2028-2032	900,000.00	425,900.00	1,325,900.00
2033-2037	900,000.00	222,500.00	1,122,500.00
2038-2039	350,000.00	26,000.00	376,000.00
Totals	<u>\$ 9,262,000.00</u>	<u>\$ 2,854,579.60</u>	<u>\$ 12,116,579.60</u>

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

General Improvement Bonds, Series 2014 - On July 1, 2014, the Borough issued \$235,000.00 of sewer improvement bonds, with interest rates ranging from 2.0% to 2.75%. The purpose of the bonds is to fund various sewer capital ordinances. The final maturity of the bonds is July 1, 2023.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 20,000.00	\$ 4,150.00	\$ 24,150.00
2019	20,000.00	3,750.00	23,750.00
2020	25,000.00	3,350.00	28,350.00
2021	30,000.00	2,850.00	32,850.00
2022	40,000.00	2,100.00	42,100.00
2023	40,000.00	1,100.00	41,100.00
Totals	<u>\$ 175,000.00</u>	<u>\$ 17,300.00</u>	<u>\$ 192,300.00</u>

Sewer Utility Debt - New Jersey Environmental Infrastructure Loans

On October 15, 2003, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$499,712.00, at no interest, from the fund loan, and \$520,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the sewer utility system. Semiannual debt payments are due February 1st and August 1st through 2023.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 54,609.56	\$ 9,912.50	\$ 64,522.06
2019	61,906.36	8,637.50	70,543.86
2020	60,827.33	6,887.50	67,714.83
2021	59,748.30	5,137.50	64,885.80
2022	58,777.17	3,562.50	62,339.67
2023	65,835.21	1,900.00	67,735.21
Totals	<u>\$ 361,703.93</u>	<u>\$ 36,037.50</u>	<u>\$ 397,741.43</u>

Note 14: CAPITAL DEBT (CONT'D)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 13,036,250.00	\$ 13,884,250.00	\$ 14,643,250.00
Sewer Utility:			
Bonds, Loans and Notes	2,528,703.93	2,630,090.40	2,732,216.77
Total Issued	15,564,953.93	16,514,340.40	17,375,466.77
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	694,036.15	633,988.92	220,157.92
Sewer Utility:			
Bonds and Notes		926.00	1,838.00
Total Authorized but not Issued	694,036.15	634,914.92	221,995.92
Total Issued and Authorized but not Issued	16,258,990.08	17,149,255.32	17,597,462.69
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	81,639.16	106,639.16	131,639.16
Sewer Utility:			
Self-Liquidating	2,528,703.93	2,631,016.40	2,734,054.77
Total Deductions	2,610,343.09	2,737,655.56	2,865,693.93
<u>Net Debt</u>	<u>\$ 13,648,646.99</u>	<u>\$ 14,411,599.76</u>	<u>\$ 14,731,768.76</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 2.653%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 4,270,000.00	\$ 4,270,000.00	
Self-Liquidating	2,528,703.93	2,528,703.93	
General	13,730,286.15	81,639.16	\$ 13,648,646.99
	<u>\$ 20,528,990.08</u>	<u>\$ 6,880,343.09</u>	<u>\$ 13,648,646.99</u>

Net debt \$13,648,646.99 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$4,514,545,062.00, equals 2.653%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 18,009,077.17
Less: Net Debt	<u>13,648,646.99</u>
Remaining Borrowing Power	<u>\$ 4,360,430.18</u>

Note 14: CAPITAL DEBT (CONT'D)**Calculation of "Self-Liquidating Purpose,"
Sewer Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year		\$	815,744.71
Deductions:			
Operating and Maintenance Costs	\$	694,445.81	
Debt Service		<u>112,756.62</u>	
Total Deductions			<u>807,202.43</u>
Excess in Revenue		\$	<u>8,542.28</u>

Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

<u>Description</u>	<u>Balance December 31, 2017</u>	<u>2018 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 60,000.00	\$ 20,000.00

The appropriation in the 2018 Budget as adopted is not less than that required by the statutes.

Note 16: RISK MANAGEMENT

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

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

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

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

Note 16: RISK MANAGEMENT (CONT'D)**Joint Insurance Pool (Cont'd)**

The Fund provides the Borough with the following coverage:

Property
General and Automobile Liability
Workers Compensation
Environmental Liability
Public Officials / Employment Practices Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
Excess General Liability
Excess Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Camden County Municipal Joint Insurance Fund
9 Campus Drive, Suite 16
Parsippany, NJ 07054-4412

The Borough of Barrington is also a member of the Southern New Jersey Regional Employee Benefits Fund. The Fund provides its members, which includes the Borough, with health benefits coverage. Contributions to the Fund, including a reserve for contingencies, are payable in twelve installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and 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.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report, which can be obtained from:

Southern New Jersey Regional Employee Benefits Fund
Connor Strong Companies, Inc.
P.O. Box 989
Marlton, New Jersey 08053

Note 17: CONTINGENCIES

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

Litigation - The Borough occasionally receives various notices of tort claim, which generally are resolved within the parameters of the Borough's joint insurance pool.

Note 18: CONCENTRATIONS

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

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Current Cash Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Regular</u>	<u>Federal and State</u> <u>Grant Fund</u>
Balance Dec. 31, 2016	\$ 2,008,445.13	
Increased by Receipts:		
Tax Collector	\$ 21,280,809.60	
Revenue Accounts Receivable	139,538.47	
Energy Receipts Tax	633,587.00	
Consolidated Municipal Property Tax Relief Aid	67,093.00	
Payment in Lieu of Taxes - P.I.L.O.T. Complex	191,386.44	
Reserve for Payment of Debt	25,000.00	
Reserve for Sale of Land	88,331.59	
Reserve for Dumpster & Hall Rental Deposits	3,525.00	
Miscellaneous Revenue not Anticipated	829,433.81	
Reserve for Redemption of Tax Title Liens	201,610.69	
Due from Camden County Municipal Utilities Authority	50,842.80	
Due to State of N.J. - Division of Youth and Family Services	800.00	
Petty Cash	200.00	
Due Sewer Utility Operating Fund	420.00	
Due Federal and State Grant Fund	34,813.89	
Due from Fire Alliance - Gasoline Interlocal	79.12	
Due from Ambulance Association - Gasoline Interlocal	6,037.31	
Due from Board of Education - Gasoline Interlocal	4,635.13	
Due from Runnemede - Gasoline Interlocal	64,904.38	
Accounts Receivable	10,758.05	\$ 1,346.22
Matching Funds for Grants		3,344.00
Federal and State Grants Receivable		249,495.27
	<u>23,633,806.28</u>	<u>\$ 254,185.49</u>
	25,642,251.41	254,185.49
Decreased by Disbursements:		
2017 Appropriations	6,641,742.98	
2016 Appropriation Reserves	207,155.41	
County Taxes Payable	4,528,956.98	
Due County - Added and Omitted Taxes	8,116.99	
Local District School Taxes Payable	10,398,488.00	
Reserve for Revaluation	14,867.39	
Reserve for Dumpster and Hall Rental Deposits	3,925.00	
Reserve for Redemption of Tax Title Liens	201,610.69	
Due to Camden County Municipal Utilities Authority	50,842.80	
Due to State of N.J. - Division of Youth and Family Services	875.00	
Petty Cash	200.00	
Due from Runnemede - Gasoline Interlocal	60,595.32	
Due from Board of Education - Gasoline Interlocal	5,194.00	
Due from Ambulance Association - Gasoline Interlocal	6,281.34	
Due from Ambulance Association - Vehicle Repairs	650.93	
Matching Funds for Grants	3,344.00	
Due General Capital Fund	101,050.00	
Due Current Fund		34,813.89
Appropriated Reserves		90,285.06
	<u>22,233,896.83</u>	<u>125,098.95</u>
Balance Dec. 31, 2017	<u>\$ 3,408,354.58</u>	<u>\$ 129,086.54</u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Current Cash Per N.J.S.40A:5-5 - Collector
For the Year Ended December 31, 2017

Receipts:

Taxes Receivable	\$ 20,498,531.97
Due from State of New Jersey - Senior Citizens and Veterans	66,753.42
Prepaid Taxes	628,361.36
Interest and Cost on Taxes	<u>87,162.85</u>

\$ 21,280,809.60

Decreased by:

Disbursed to Chief Financial Officer	<u><u>\$ 21,280,809.60</u></u>
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Exhibit SA-3

CURRENT FUND
Schedule of Change Funds
As of December 31, 2017

<u>Office</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Collector - Treasurer	<u><u>\$ 100.00</u></u>

Exhibit SA-4

CURRENT FUND
Statement of Petty Cash Fund
For the Year Ended December 31, 2017

<u>Office</u>	<u>Received</u> <u>from</u> <u>Treasurer</u>	<u>Disbursed</u> <u>to</u> <u>Treasurer</u>
Collector - Treasurer	<u><u>\$ 200.00</u></u>	<u><u>\$ 200.00</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2017

Year	Balance Dec. 31, 2016	2017 Levy	Added	2016 <u>Collections</u>	2017	Due from State of New Jersey	Appeals/ Canceled	Transferred to Prepaid Taxes	Transferred to Tax Title Liens	Balance Dec. 31, 2017
2008	\$ 4,278.33				\$ 4,278.33					
2009	4,306.22				4,306.22					
2013	224.00									\$ 224.00
2014	1,046.50				1,046.50					
2016	361,541.07		\$ 1,000.00		325,087.63					37,453.44
	371,396.12		1,000.00		334,718.68					37,677.44
2017		\$ 20,798,736.59		\$ 62,177.89	20,163,813.29	\$ 71,250.00	\$ 35,253.94	\$ 5,541.61	\$ 1,671.42	470,111.66
	<u>\$ 371,396.12</u>	<u>\$ 20,798,736.59</u>	<u>\$ 1,000.00</u>	<u>\$ 62,177.89</u>	<u>\$ 20,498,531.97</u>	<u>\$ 71,250.00</u>	<u>\$ 35,253.94</u>	<u>\$ 5,541.61</u>	<u>\$ 1,671.42</u>	<u>\$ 507,789.10</u>

Analysis of 2017 Tax LevyTax Yield

General Purpose Tax	\$ 20,729,205.48
Added Taxes (54:4-63.1 et seq.)	69,531.11
	<u>\$ 20,798,736.59</u>

Tax Levy

Local District School Tax	\$ 10,398,488.00
County Taxes:	
County Tax	\$ 4,162,977.76
County Library Tax	263,987.46
County Open Space	101,991.76
	4,528,956.98
Due County for Added Taxes	15,204.25
Total County Taxes	4,544,161.23
Local Tax for Municipal Purposes	5,799,649.88
Add: Additional Tax Levied	56,437.48
Local Tax for Municipal Purposes Levied	5,856,087.36
	<u>\$ 20,798,736.59</u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 60,031.74
Increased by:	
Transferred from Taxes Receivable	<u>1,671.42</u>
Balance Dec. 31, 2017	<u><u>\$ 61,703.16</u></u>

Exhibit SA-7

CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 62,177.89
Increased by:		
Collections - 2018 Taxes	\$ 628,361.36	
Transferred from 2017 Taxes	<u>5,541.61</u>	
		<u>633,902.97</u>
		696,080.86
Decreased by:		
Application to 2017 Taxes Receivable		<u>62,177.89</u>
Balance Dec. 31, 2017		<u><u>\$ 633,902.97</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Accrued</u> <u>in 2017</u>	<u>Realized</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Clerk:				
Licenses:				
Alcoholic Beverages		\$ 5,743.00	\$ 5,743.00	
Fees and Permits		17,493.00	17,493.00	
Municipal Court:				
Fines and Costs	\$ 8,231.90	104,986.36	106,453.68	\$ 6,764.58
Interest on Investments:				
Current		8,090.01	8,090.01	
Animal Control		36.11	36.11	
Trust Other		957.73	957.73	
General Capital		859.28	859.28	
Municipal Court		42.19	42.19	
	<u>\$ 8,231.90</u>	<u>\$ 138,207.68</u>	<u>\$ 139,675.00</u>	<u>\$ 6,764.58</u>
Cash			\$ 139,538.47	
Due Trust Other Fund			<u>136.53</u>	
			<u>\$ 139,675.00</u>	

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Accounts Receivable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 10,758.05
Increased by:	
Disbursements	<u>650.93</u>
	11,408.98
Decreased by:	
Collections	<u>10,758.05</u>
Balance Dec. 31, 2017	<u><u>\$ 650.93</u></u>

Exhibit SA-10

CURRENT FUND
Statement of Due from Runnemede - Purchase of Gasoline Interlocal Service Agreement
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 9,667.10
Increased by:	
2017 Billings - Disbursements	<u>60,595.32</u>
	70,262.42
Decreased by:	
Collections	<u>64,904.38</u>
Balance Dec. 31, 2017	<u><u>\$ 5,358.04</u></u>

BOROUGH OF BARRINGTON**CURRENT FUND**

Statement of Due From Fire Alliance - Purchase of Gasoline Interlocal Service Agreement
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 79.12
Decreased by:	
Collections	<u>\$ 79.12</u>

Exhibit SA-12**CURRENT FUND**

Statement of Due From Ambulance Association - Purchase of Gasoline Interlocal Service Agreement
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 1,584.36
Increased by:	
2017 Billings - Disbursements	<u>6,281.34</u>
	7,865.70
Decreased by:	
Collections	<u>6,037.31</u>
Balance Dec. 31, 2017	<u>\$ 1,828.39</u>

BOROUGH OF BARRINGTON**CURRENT FUND**

Statement of Due from Board of Education - Purchase of Gasoline Interlocal Services Agreement
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 100.42
Increased by:	
2017 Billings - Disbursements	<u>5,194.00</u>
	5,294.42
Decreased by:	
Collections	<u>4,635.13</u>
Balance Dec. 31, 2017	<u><u>\$ 659.29</u></u>

Exhibit SA-14**CURRENT FUND**

Statement of Due State of New Jersey Veteran's and Senior Citizens' Deductions
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 6,748.44
Increased by:		
Receipts - Collector	\$ 66,753.42	
Veterans' and Senior Citizens' Deductions		
Disallowed by Tax Collector - Prior Year Taxes	<u>1,000.00</u>	
		<u>67,753.42</u>
		74,501.86
Decreased by:		
2017 Senior Citizens' Deductions per Tax Billing	12,500.00	
2017 Veterans' Deductions per Tax Billing	58,500.00	
Veterans' and Senior Citizens' Deductions Allowed by		
Tax Collector - 2017 Taxes	<u>2,000.00</u>	
	73,000.00	
Less:		
Deductions Disallowed by Tax Collector - 2017 Taxes	<u>1,750.00</u>	
		<u>71,250.00</u>
Balance Dec. 31, 2017		<u><u>\$ 3,251.86</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of 2016 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After	Paid or	Balance
	<u>Encumbered</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>	<u>Lapsed</u>
<u>General Government</u>					
Administrative and Executive					
Salaries and Wages		\$ 868.66	\$ 868.66		\$ 868.66
Other Expenses	\$ 4,850.15	1,993.91	6,844.06	\$ 5,619.31	1,224.75
Financial Administration					
Salaries and Wages		9.14	9.14		9.14
Other Expenses		689.34	689.34	689.34	
Assessment of Taxes					
Salaries and Wages		65.18	65.18		65.18
Other Expenses	756.35	181.17	937.52		937.52
Collection of Taxes					
Salaries and Wages		9.19	9.19		9.19
Other Expenses	759.18	473.18	1,232.36	759.18	473.18
Legal Services and Costs					
Other Expenses	17.55	346.00	363.55	17.55	346.00
Municipal Prosecutor					
Salaries and Wages	9,000.00				
Other Expenses			9,000.00	9,000.00	
Engineering Services and Costs					
Other Expenses		4,690.00	4,690.00		4,690.00
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning Board					
Other Expenses	827.07	175.84	1,002.91	784.92	217.99
Mayor and Council					
Other Expenses	633.78	1,199.66	1,833.44	33.78	1,799.66
Insurance					
Group Plan for Employees	82.00	18,055.10	18,137.10	626.00	17,511.10
Other Insurance Premiums		9,405.22	9,405.22		9,405.22
Disability Insurance		500.76	500.76	27.00	473.76
Unemployment Compensation Insurance		981.87	981.87	189.00	792.87
Opt-out Payments		1,379.59	1,379.59		1,379.59
Municipal Court					
Other Expenses	21,700.00	0.09	21,700.09	16,700.00	5,000.09
Economic Development Committee					
Other Expenses		6,447.00	6,447.00		6,447.00
<u>Public Safety</u>					
Police					
Salaries and Wages		40,352.75	40,352.75		40,352.75
Other Expenses	12,630.47	18,456.57	31,087.04	12,342.48	18,744.56
Ambulance Association					
Other Expenses		2,997.00	2,997.00		2,997.00
Office of Emergency Management					
Other Expenses	1,287.77	5,883.62	7,171.39	6,503.52	667.87
Fire					
Salaries and Wages	1,003.60	167.34	1,170.94	1,003.60	167.34
Other Expenses					
Fire Hydrant Service	4,961.00	394.97	5,355.97	4,961.00	394.97
Miscellaneous Other Expenses	10,887.35	1,151.57	12,038.92	11,692.42	346.50
<u>Streets and Roads</u>					
Road Repair and Maintenance					
Salaries and Wages		6,861.04	6,861.04		6,861.04
Other Expenses	21,226.26	8,381.21	29,607.47	20,893.40	8,714.07
Trash Removal					
Other Expenses	18,513.00	9,785.61	28,298.61	27,106.51	1,192.10

(Continued)

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of 2016 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<u>Streets and Roads (Cont'd)</u>					
Public Buildings and Grounds					
Salaries and Wages		\$ 1,476.00	\$ 1,476.00		\$ 1,476.00
Other Expenses	\$ 15,833.01	4,851.85	20,684.86	\$ 3,400.25	17,284.61
Maintenance of Vehicles					
Other Expenses	4,913.48	11,748.05	16,661.53	4,931.95	11,729.58
<u>Health and Welfare</u>					
Board of Health					
Salaries and Wages		112.20	112.20		112.20
Other Expenses		332.12	332.12		332.12
<u>Recreation and Education</u>					
Parks and Playgrounds					
Salaries and Wages		3,287.75	3,287.75		3,287.75
Other Expenses	1,242.74	576.78	1,819.52	1,279.93	539.59
<u>Unclassified:</u>					
Utilities:					
Gasoline	10,967.21	17,514.16	28,481.37	9,841.19	18,640.18
Electricity	9,800.00	8,841.84	18,641.84	8,965.81	9,676.03
Telecommunications	2,359.58	84.06	2,443.64	2,317.58	126.06
Street Lighting	18,463.43	4,745.22	23,208.65	19,206.38	4,002.27
Trash Disposal	11,000.00	72,566.10	83,566.10	51,647.28	31,918.82
Water	2,208.43	285.46	2,493.89	1,616.03	877.86
<u>Statutory Expenditures:</u>					
Social Security System (O.A.S.I.)		2,717.60	2,717.60		2,717.60
<u>Operations Excluded from "CAPS"</u>					
Length of Service Award Program - LOSAP		15,000.00	15,000.00		15,000.00
Totals	<u><u>\$ 185,923.41</u></u>	<u><u>\$ 286,041.77</u></u>	<u><u>\$ 471,965.18</u></u>	<u><u>\$ 222,155.41</u></u>	<u><u>\$ 249,809.77</u></u>
Disbursed				\$ 207,155.41	
Accounts Payable				15,000.00	
				<u><u>\$ 222,155.41</u></u>	

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 35,600.00
Increased by:	
2016 Appropriation Reserves	<u>15,000.00</u>
	50,600.00
Decreased by:	
Canceled	<u>20,600.00</u>
Balance Dec. 31, 2017	<u><u>\$ 30,000.00</u></u>
<u>Analysis of Balance Dec. 31, 2017</u>	
Length of Service Award Program	\$ 15,000.00
Other - Trash Disposal and Tipping Fees	<u>15,000.00</u>
	<u><u>\$ 30,000.00</u></u>

CURRENT FUND
Statement of Due State of New Jersey - Division of Youth and Family Services
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 275.00
Increased by:	
Fees Collected	<u>800.00</u>
	1,075.00
Decreased by:	
Payments	<u>875.00</u>
Balance Dec. 31, 2017	<u><u>\$ 200.00</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2017

2017 Tax Levy:		
County Tax	\$ 4,162,977.76	
County Library Tax	263,987.46	
County Open Space Tax	<u>101,991.76</u>	
		\$ 4,528,956.98
Decreased by:		
Payments		<u><u>\$ 4,528,956.98</u></u>

Exhibit SA-19

CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 8,116.99
Increased by:	
2017 Omitted/Added Taxes	<u>15,204.25</u>
	23,321.24
Decreased by:	
Payments	<u>8,116.99</u>
Balance Dec. 31, 2017	<u><u>\$ 15,204.25</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Local School District Tax
For the Year Ended December 31, 2017

2017 Tax Levy:	\$ 10,398,488.00
Decreased by:	
Payments	<u>\$ 10,398,488.00</u>

CURRENT FUND
Statement of Reserve for Sale of Land
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 249,750.00
Increased by:	
Receipts	<u>88,331.59</u>
Balance Dec. 31, 2017	<u>\$ 338,081.59</u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Reserve for Revaluation
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 16,652.51
Decreased by:	
Disbursements	<u>14,867.39</u>
Balance Dec. 31, 2017	<u><u>\$ 1,785.12</u></u>

CURRENT FUND
Statement of Reserve for Hall Rental Deposits
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 500.00
Increased by:	
Receipts	<u>3,525.00</u>
	4,025.00
Decreased by:	
Disbursements	<u>3,925.00</u>
Balance Dec. 31, 2017	<u><u>\$ 100.00</u></u>

BOROUGH OF BARRINGTON
CURRENT FUND
Statement of Deferred Charges
N.J.S. 40A:5-55 Special Emergency
For the Year Ended December 31, 2017

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Raised by</u> <u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
08-08-12	Revision of Master Plan	\$ 10,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
09-11-12	Codification	25,000.00	5,000.00	5,000.00	5,000.00	
03-08-16	Revaluation	100,000.00	20,000.00	80,000.00	20,000.00	\$ 60,000.00
				<u>\$ 87,000.00</u>	<u>\$ 27,000.00</u>	<u>\$ 60,000.00</u>

BOROUGH OF BARRINGTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 5,130.57
Increased by:	
Charged to Federal and State Grants Appropriated	<u>4,254.62</u>
	9,385.19
Decreased by:	
Canceled to Grants Appropriated	<u>5,130.57</u>
Balance Dec. 31, 2017	<u><u>\$ 4,254.62</u></u>

BOROUGH OF BARRINGTON
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Accrued</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
Federal Grant:				
Community Development Block Grant Year 35	\$ 2,199.38		\$ 2,199.38	
Community Development Block Grant Year 36	17,406.00		17,406.00	
Community Development Block Grant Year 37	28,600.00		28,600.00	
Community Development Block Grant Year 38	25,400.00		25,400.00	
Community Development Block Grant Year 39		\$ 25,400.00		\$ 25,400.00
Community Development Block - Supplemental Funding	37,000.00	300,000.00	37,000.00	300,000.00
Click it or Ticket	5,000.00	5,500.00	10,500.00	
Bullet Proof Vest Partnership		1,010.00	1,010.00	
Drive Sober or Get Pulled Over		11,000.00	5,500.00	5,500.00
Total Federal Grants	<u>115,605.38</u>	<u>\$342,910.00</u>	<u>127,615.38</u>	<u>330,900.00</u>
State Grants:				
Alcohol Education and Rehabilitation Grant		868.59	868.59	
Drunk Driving Enforcement Grant	871.77	3,000.00	3,000.00	871.77
Distracted Driving Grant		5,500.00	5,500.00	
Clean Communities Grant		14,153.64	14,153.64	
Body Armor Replacement Grant		1,705.18	1,705.18	
Recycling Tonnage Grant		71,091.46	71,091.46	
Municipal Drug Alliance Program	5,826.70	10,160.75	7,561.02	8,426.43
Total State Grants	<u>6,698.47</u>	<u>106,479.62</u>	<u>103,879.89</u>	<u>9,298.20</u>
Local Grants:				
First Colonial Bank Grant	6,000.00	6,000.00	12,000.00	
Donations - Playground Improvement		3,000.00	3,000.00	
Camden County Regionalized DWI Enforcement				
Sobriety Checkpoint Grant	249.99	2,000.00	1,749.99	500.00
Camden County Joint Insurance Fund		1,500.00	1,500.00	
Camden County Open Space Grant	25,025.77			25,025.77
Total Local Grants	<u>31,275.76</u>	<u>12,500.00</u>	<u>18,249.99</u>	<u>25,525.77</u>
Grand Total	<u>\$ 153,579.61</u>	<u>\$ 461,889.62</u>	<u>\$ 249,745.26</u>	<u>\$ 365,723.97</u>
Received			\$ 249,495.27	
Canceled - Grants Appropriated			249.99	
			<u>\$ 249,745.26</u>	

BOROUGH OF BARRINGTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Grants</u> <u>Receivable</u>	<u>Realized as</u> <u>Revenue</u> <u>in 2017 Budget</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Federal Grants:				
Community Development Block Grant		\$ 325,400.00	\$ 325,400.00	
Click it or Ticket		5,500.00	5,500.00	
Bullet Proof Vest Partnership		1,010.00	1,010.00	
Drive Sober or Get Pulled Over Grant		11,000.00	11,000.00	
Total Federal Grants	-	342,910.00	342,910.00	-
State Grants:				
Alcohol Education and Rehabilitation Grant		868.59	868.59	
Body Armor Replacement Grant		1,705.18	1,705.18	
Recycling Tonnage Grant		71,091.46	71,031.46	\$ 60.00
Drunk Driving Enforcement Grant		3,000.00	3,000.00	
Distracted Driving Grant		5,500.00	5,500.00	
Clean Communities Grant	\$ 16,659.91	14,153.64	30,813.55	
Municipal Drug Alliance Program		10,160.75	10,160.75	
Total State Grants	16,659.91	106,479.62	123,079.53	60.00
Local Grants:				
Donations - Playground Improvement		3,000.00	3,000.00	
Enforcement Sobriety Checkpoint Grant		2,000.00	2,000.00	
Camden County Joint Insurance Fund		1,500.00	1,500.00	
First Colonial Bank Grant		6,000.00	6,000.00	
Total Local Grants	-	12,500.00	12,500.00	-
	<u>\$ 16,659.91</u>	<u>\$ 461,889.62</u>	<u>\$ 478,489.53</u>	<u>\$ 60.00</u>

BOROUGH OF BARRINGTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants - Appropriated
For the Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>2017 Budget Appropriation</u>	<u>Prior Year Encumbrances Canceled</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:					
Community Development Block Grant Year 39		\$ 25,400.00			\$ 25,400.00
Community Development - Supplemental Funding		300,000.00		\$ 300,000.00	
Click it or Ticket		5,500.00		5,500.00	
Bullet Proof Vest Partnership		1,010.00			1,010.00
Drive Sober or Get Pulled Over Grant	\$ 388.01	11,000.00		10,417.43	970.58
Total Federal Grants	388.01	342,910.00	-	315,917.43	27,380.58
State Grants:					
Emergency Management Grant	325.76				325.76
Alcohol Education and Rehabilitation Grant	10,012.11	868.59		2,200.00	8,680.70
Drunk Driving Enforcement Grant	5,611.25	3,000.00		828.00	7,783.25
Distracted Driving Crackdown		5,500.00		5,500.00	
Municipal Drug Alliance Program	5,711.80	13,504.75	\$ 375.00	14,051.62	5,539.93
Recycling Tonnage Grant	34,750.34	71,031.46	1,993.64	24,980.21	82,795.23
Clean Communities Grant	3,672.18	30,813.55		16,804.48	17,681.25
Department of Transportation Grant	5,196.77				5,196.77
Body Armor Replacement Grant	1,014.84	1,705.18	2,020.00	3,015.00	1,725.02
Total State Grants	66,295.05	126,423.53	4,388.64	67,379.31	129,727.91
Local Grants:					
Economic Development - Private Donations	2,669.60				2,669.60
Camden County Regionalized DWI Enforcement					
Sobriety Checkpoint Grant	249.99	2,000.00		1,749.99	500.00
Donations - ABLE Group	3,186.03		141.93	1,044.37	2,283.59
Donation - Fire Equipment	200.00				200.00
Donation - Police Equipment	25.00				25.00
Donation - Playground Improvement		3,000.00			3,000.00
Camden County Open Space Grant	25,025.77			2,598.00	22,427.77
First Colonial Bank Grant		6,000.00		5,250.00	750.00
Camden County Joint Insurance Fund	282.01	1,500.00	600.00	850.57	1,531.44
Total Local Grants	31,638.40	12,500.00	741.93	11,492.93	33,387.40
	\$ 98,321.46	\$ 481,833.53	\$ 5,130.57	\$ 394,789.67	\$ 190,495.89
Disbursed				\$ 90,285.06	
Encumbered				4,254.62	
Contracts Payable				300,000.00	
Canceled - Grants Receivable				249.99	
				\$ 394,789.67	

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BARRINGTON
TRUST FUNDS
Statement of Trust Cash Per N.J.S.40A:5-5 - Treasurer
For the Year Ended December 31, 2017

	Animal Control	Fire Prevention	Other
Balance Dec. 31, 2016	\$ 14,408.98	\$ 48,164.82	\$ 504,853.40
Increased by Receipts:			
Reserve for Animal Control Expenditures	\$ 10,148.22		
Due State of New Jersey	561.60		
Net Payroll			\$ 1,904,029.24
Payroll Deductions			1,513,791.14
Reserve for Construction Code Enforcement Fees			216,989.22
Due State of New Jersey - State Training Fees			6,580.00
Reserve for Escrow Deposits			52,002.09
Reserve for Street Opening Deposits			1,800.00
Reserve for Parking Adjudication Act			106.00
Reserve for Public Defender			5,891.00
Reserve for Tax Sale Premium			72,800.00
Reserve for Prosecutor Forfeiture Funds			3,045.75
Reserve for Beautification and Property Maintenance			68,000.00
Reserve for Barrington Centennial Donations			44,107.57
Reserve for ABLE Food Donations			200.00
Reserve for Traffic Control			267,608.68
Reserve for Fire Prevention		\$ 105,069.04	
Accounts Receivable			60,435.00
Due from Fire Prevention Trust			5,000.00
Due Current Fund	36.11		957.73
	<u>10,745.93</u>	<u>105,069.04</u>	<u>4,223,343.42</u>
Carried Forward	25,154.91	153,233.86	4,728,196.82

(Continued)

BOROUGH OF BARRINGTON
TRUST FUNDS
Statement of Trust Cash Per N.J.S.40A:5-5 - Treasurer
For the Year Ended December 31, 2017

	Animal Control	Fire Prevention	Other
Brought Forward	\$ 25,154.91	\$ 153,233.86	\$ 4,728,196.82
Decreased by Disbursements:			
Reserve for Animal Control Expenditures	\$ 13,071.45		
Due State of New Jersey	561.60		
Net Payroll			\$ 1,904,029.24
Payroll Deduction Payable			1,513,573.42
Reserve for Construction Code Enforcement Fees			168,669.46
Due State of New Jersey - State Training Fees			7,137.00
Reserve for Escrow Deposits			70,667.64
Reserve for Street Opening Deposits			5,233.25
Reserve for Public Defender			4,595.33
Reserve for Tax Sale Premium			104,100.00
Reserve for Beautification and Property Maintenance			8,303.88
Reserve for Barrington Centennial Donations			11,288.46
Reserve for Traffic Control			204,444.10
Reserve for Fire Prevention		\$ 108,017.53	
Due to Trust Other Fund		5,000.00	
Due Current Fund	36.11		1,104.08
	<u>13,669.16</u>	<u>113,017.53</u>	<u>4,003,645.86</u>
Balance Dec. 31, 2017	<u>\$ 11,485.75</u>	<u>\$ 40,216.33</u>	<u>\$ 724,550.96</u>

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Investments - Length of Service Award Program
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 115,814.57
Increased by:	
Increase in Investment Value	<u>13,858.40</u>
	129,672.97
Decreased by:	
Benefits Paid to Participants	<u>2,493.00</u>
Balance Dec. 31, 2017	<u><u>\$ 127,179.97</u></u>

Schedule of Investments Dec. 31, 2017

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 14,485.62
Money Market Funds	20,360.02
Pooled Separate Accounts	<u>92,334.33</u>
	<u><u>\$ 127,179.97</u></u>

BOROUGH OF BARRINGTON
ANIMAL CONTROL TRUST FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	10,483.08
Increased by:			
Receipts:			
Dog License Fees Collected	\$	4,190.40	
Cat License Fees Collected		1,068.00	
TNR Donations		2,414.82	
TNR Program		290.00	
Dog Park Revenue		135.00	
Court Fine		850.00	
Late Fees		1,200.00	
		\$	10,148.22
Encumbrances Canceled			3,925.90
			14,074.12
			24,557.20
Decreased by:			
Disbursements		13,071.45	
Encumbrances Charged		1,629.02	
			14,700.47
Balance Dec. 31, 2017		\$	9,856.73

License Fees Collected

<u>Year</u>	<u>Amount</u>
2016	\$ 5,564.40
2015	7,619.20
	\$ 13,183.60

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 2,281.07
Increased by:	
Payroll Deductions	<u>1,513,791.14</u>
	1,516,072.21
Decreased by:	
Disbursements	<u>1,513,573.42</u>
Balance Dec. 31, 2017	<u><u>\$ 2,498.79</u></u>

Analysis of Balance Dec. 31, 2017

Unemployment Disability	\$ 818.18
State of New Jersey	0.20
Public Employees' Retirement System	488.64
Police and Firemens' Retirement System	442.11
AFSCME	0.01
AFLAC	5.03
Garnishment	0.10
Unidentified	<u>744.52</u>
	<u><u>\$ 2,498.79</u></u>

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Due Current Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016 (Due from)		\$ 13,469.68
Increased by:		
Disbursements:		
Interest Turned Over - Revenue Accounts Receivable	\$ 821.20	
Disbursed on Behalf of Current Fund	282.88	
		<u>1,104.08</u>
		14,573.76
Decreased by:		
Receipts:		
Interest Earned on Deposits	957.73	
Traffic Control Administrative Fees	70,094.58	
		<u>71,052.31</u>
Balance Dec. 31, 2017 (Due to)		<u><u>\$ 56,478.55</u></u>
<u>Analysis of Balance Dec. 31, 2017</u>		
Trust Other		\$ 44,787.66
Development Fee		<u>11,690.89</u>
		<u><u>\$ 56,478.55</u></u>

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 6,817.00
Increased by:		
Encumbrances Charged:		
Reserve for Construction Code - Enforcement Fees	\$ 14,000.00	
Trust Other Reserves	<u>4,301.25</u>	
		<u>18,301.25</u>
		25,118.25
Decreased by:		
Encumbrances Canceled:		
Reserve for Construction Code - Enforcement Fees	452.25	
Trust Other Reserves	<u>6,364.75</u>	
		<u>6,817.00</u>
Balance Dec. 31, 2017		<u><u>\$ 18,301.25</u></u>

Exhibit SB-7

TRUST OTHER FUND
Statement of Reserve for Construction Code - Enforcement Fees
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 141,790.64
Increased by:		
Collections:		
Fees	\$ 216,512.00	
Interest	<u>477.22</u>	
		\$ 216,989.22
Encumbrances Canceled	<u>452.25</u>	
		<u>217,441.47</u>
		359,232.11
Decreased by:		
Disbursed:		
Construction Code Expenditures	168,669.46	
Encumbrances Charged	<u>14,000.00</u>	
		<u>182,669.46</u>
Balance Dec. 31, 2017		<u><u>\$ 176,562.65</u></u>

BOROUGH OF BARRINGTON
FIRE PREVENTION TRUST FUND
Statement of Reserve for Fire Prevention
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 37,629.80
Increased by:		
Receipts	\$ 105,069.04	
Encumbrances Canceled	<u>535.02</u>	
		<u>105,604.06</u>
		143,233.9
Decreased by:		
Disbursements	108,017.53	
Encumbrances Charged	<u>1,340.00</u>	
		<u>109,357.53</u>
Balance Dec. 31, 2017		<u><u>\$ 33,876.33</u></u>

TRUST OTHER FUND
Statement of Due State of New Jersey - State Training Fees
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 1,950.00
Increased by:		
Fees Collected		<u>6,580.00</u>
		8,530.00
Decreased by:		
Fees Remitted		<u>7,137.00</u>
Balance Dec. 31, 2017		<u><u>\$ 1,393.00</u></u>

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Trust Other Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	Increased				Decreased			Balance Dec. 31, 2017
		Receipts	Unrealized Gain on Investments	Encumbrances Canceled	Interest Receipts	Accounts Receivable	Disbursements	Due Current Fund	
Reserve for Escrow Deposits	\$ 237,497.88	\$ 51,729.02		\$ 1,039.75	\$ 273.07		\$ 70,667.64	\$ 301.25	\$ 219,570.83
Reserve for DARE Program	118.47								118.47
Reserve for Street Opening Deposits	8,466.00	1,800.00		325.00			5,233.25		5,357.75
Reserve for Parking Adjudication Act	1,221.00	106.00							1,327.00
Reserve for Public Defender	2,271.44	5,891.00		5,000.00			4,595.33	4,000.00	4,567.11
Reserve for Drug Alliance Fund Raising	0.37								0.37
Reserve for Tax Sale Premium	182,300.00	72,800.00					104,100.00		151,000.00
Reserve for Barrington Centennial Donations	1,166.00	44,107.57					11,288.46		33,985.11
Reserve for Prosecutor Forfeiture Funds	4,101.43	3,040.00			5.75		500.00		6,647.18
Reserve for Economic Development Landscaping	44.32								44.32
Reserve for Recreation	2,325.00								2,325.00
Reserve for Beautification and Property Maintenance	35,026.94	68,000.00					8,303.88		94,723.06
Reserve for ABLE Food Donations	962.00	200.00							1,162.00
Reserve for Traffic Control		267,608.68				\$ 6,930.00	204,444.10	\$ 70,094.58	
Length of Service Award Program	115,814.57	264.21	\$ 13,594.19				2,493.00		127,179.97
	<u>\$ 591,315.42</u>	<u>\$ 515,546.48</u>	<u>\$ 13,594.19</u>	<u>\$ 6,364.75</u>	<u>\$ 278.82</u>	<u>\$ 6,930.00</u>	<u>\$ 411,625.66</u>	<u>\$ 70,094.58</u>	<u>\$ 648,008.17</u>

BOROUGH OF BARRINGTON
TRUST OTHER FUND
Statement of Accounts Receivable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 61,395.00
Increased by:	
Reserve for Traffic Control	<u>6,930.00</u>
	68,325.00
Decreased by:	
Received	<u>60,435.00</u>
Balance Dec. 31, 2017	<u><u>\$ 7,890.00</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF BARRINGTON**GENERAL CAPITAL FUND**

Statement of General Capital Cash Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	351,610.87
Increased by Receipts:			
Due Current Fund	\$	103,978.39	
Accounts Receivable		7,000.00	
Budget Appropriation - Capital Improvement Fund		60,000.00	
Due from State of New Jersey - New Jersey Department of Transportation		570,602.87	
Bond Anticipation Note Proceeds		<u>3,774,250.00</u>	
			<u>4,515,831.26</u>
			4,867,442.13
Decreased by Disbursements:			
Improvement Authorizations		212,724.04	
Contracts Payable		558,350.28	
Reserve for Encumbrances		29,663.00	
Reserve for Payment of Debt		25,000.00	
Bond Anticipation Notes		3,774,250.00	
Due Current Fund		<u>859.28</u>	
			<u>4,600,846.60</u>
Balance Dec. 31, 2017		\$	<u><u>266,595.53</u></u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2017

		Receipts			Disbursements		Transfers		Balance (Deficit)	
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	Dec. 31, 2017
		Dec. 31, 2016								
Fund Balance		\$ 3,158.88								\$ 3,158.88
Capital Improvement Fund		78,547.14	\$ 60,000.00					\$ 10,000.00		128,547.14
Reserve for Encumbrances		33,297.24					\$ 29,663.00		\$ 6,025.00	9,659.24
Contracts Payable		691,829.56					558,350.28	74,592.45	129,455.70	188,342.53
Accounts Receivable		(7,000.00)		\$ 7,000.00						
Due Current Fund		14,110.50		103,978.39			859.28			117,229.61
Due Trust Other Fund		38,621.48								38,621.48
Due Sewer Utility Capital Fund		196,050.00								196,050.00
Due from New Jersey Department of Transportation		(941,368.57)		570,602.87					9,957.90	(360,807.80)
Reserve for Payment of Debt		106,639.16					25,000.00			81,639.16
Reserve for Due from New Jersey Department of Transportation		149,910.67						149,910.67		
Improvement Authorizations:										
637	Various Capital Improvements	0.60								0.60
823	Streetscape Improvements to Clements Bridge Road	(157,601.25)							149,910.67	(7,690.58)
905	Various Capital Improvements							9,957.90		(9,957.90)
951e	Municipal Building Improvements	4,440.94			\$ 4,440.94					
965b (970)	Acquisition of Highway Department Equipment	185.60								185.60
987a	Various Road Improvements	12,111.69				1,465.00				10,646.69
987b	Various Improvements to Municipal Buildings	149,836.39				49,606.20				100,230.19
987c	Administrative Office Furniture and Equipment	1,419.44								1,419.44
987d	Acquisition of Highway Department Equipment	218.39								218.39
1006a	Streetscape Improvements to Clements Bridge Road	40,081.29				2,723.24			46,526.68	83,884.73
	Supplemental Funding for Implementation of									
1006b	White Horse Pike Redevelopment Project	13,540.37				2,502.50				11,037.87
1006c	Various Roadway Improvements	19,559.07								19,559.07
1006e	Acquisition of Highway Department Equipment	18,977.05				10,232.53				8,744.52
1020a	Reconstruction/Repaving of Various Streets	66,505.01				9,510.00		52,529.40	28,065.77	32,531.38
1020b	Acquisition of Various Administrative Equipment	(21,055.41)								(21,055.41)
1020d	Various Improvements to the Municipal Building	1,500.00								1,500.00
1020e	Acquisition of Various Highway Equipment	92,074.84				86,162.34		2,500.00		3,412.50
1020f	Acquisition of Various Police Equipment	48,716.17				6,993.03		35,451.30		6,271.84
1020g	Acquisition of Various Fire Equipment		\$ 774,250.00				\$ 774,250.00			
1027a	Acquisition/Improvements to White Horse Pike Properties		600,000.00				600,000.00			
1027b	Reconstruction of Various White Horse Pike Roads		2,400,000.00				2,400,000.00			
1053	Supplemental Funding for Various Streetscape Improvements	(201,233.00)								(201,233.00)
1057a	Reconstruction/Repaving of Various Borough Streets	(73,075.00)				36,487.91				(109,562.91)
1057b	Acquisition of Police Equipment	2,250.00						45,000.00		(42,750.00)
1057c	Acquisition of Fire Equipment	(30,637.38)				2,306.35				(32,943.73)
1077	Various Improvements to Recreational Areas					294.00			10,000.00	9,706.00
		\$ 351,610.87	\$ 3,774,250.00	\$ 60,000.00	\$ 681,581.26	\$ 212,724.04	\$ 3,774,250.00	\$ 613,872.56	\$ 379,941.72	\$ 266,595.53

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Grants Canceled	Funded by Reserve for New Jersey Department of Transportation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017		
							Bond Anticipation	Expenditures	Unexpended Improvement Authorizations
							Notes		
General Improvements:									
823 (877, 886, 895)	Streetscape Improvements to Clements Bridge Road	\$ 157,826.92			\$ 149,910.67	\$ 7,916.25		\$ 7,690.58	\$ 225.67
905	Various Capital Improvements			\$ 9,957.90		9,957.90		9,957.90	
1006b	Supplemental Funding for Implementation of White Horse Pike	500.00				500.00			500.00
1020b	Acquisition of Various Administrative Equipment	22,942.00				22,942.00		21,055.41	1,886.59
1020d	Various Improvements to the Municipal Building	28,500.00				28,500.00			28,500.00
1020f	Acquisition of Various Police Equipment	687.00				687.00			687.00
1020g	Acquisition of Various Fire Equipment	774,250.00				774,250.00	\$ 774,250.00		
1027a	Acquisition/Improvements to White Horse Pike Properties	600,000.00				600,000.00	600,000.00		
1027b	Reconstruction of Various White Horse Pike Roads	2,400,000.00				2,400,000.00	2,400,000.00		
1053	Supplemental Funding for Various Streetscape Improvements	201,233.00				201,233.00		201,233.00	
1057a	Reconstruction/Repaving of Various Borough Streets	128,250.00				128,250.00		109,562.91	18,687.09
1057b	Acquisition of Police Equipment	42,750.00				42,750.00		42,750.00	
1057c	Acquisition of Fire Equipment	51,300.00				51,300.00		32,943.73	18,356.27
1077	Various Improvements to Recreational Areas		\$ 200,000.00			200,000.00			200,000.00
		\$ 4,408,238.92	\$ 200,000.00	\$ 9,957.90	\$ 149,910.67	\$ 4,468,286.15	\$ 3,774,250.00	\$ 425,193.53	\$ 268,842.62

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 10,110,000.00
Decreased by:	
Budget Appropriation to Pay Bonds	<u>848,000.00</u>
Balance Dec. 31, 2017	<u><u>\$ 9,262,000.00</u></u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2016		2017 Authorizations	Prior Year Encumbrances/ Contracts Payable Canceled	Paid or Charged	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
General Improvements:										
637	Various Improvements and Purchase of Equipment	06-14-94	\$ 641,400.00	\$ 0.60					\$ 0.60	
823 (877, 886, 895)	Streetscape Improvements to Clements Bridge Road	08-09-05	925,000.00		\$ 225.67					\$ 225.67
951e	Municipal Building Improvements	04-13-10	100,000.00	4,440.94				\$ 4,440.94		
965b (970)	Acquisition of Highway Department Equipment	05-10-11	10,000.00	185.60					185.60	
987a	Reconstruction and Resurfacing of Roads	07-11-12	320,000.00	12,111.69				1,465.00	10,646.69	
987b	Various Improvements to Municipal Buildings	07-11-12	206,250.00	149,836.39				49,606.20	100,230.19	
987c	Acquisition of Office Furniture and Equipment	07-11-12	15,000.00	1,419.44					1,419.44	
987d	Acquisition of Highway Department Equipment	07-11-12	85,000.00	218.39					218.39	
1006a	Streetscape Improvements to Clements Bridge Road	08-14-13	652,000.00	40,081.29			\$ 46,526.68	2,723.24	83,884.73	
1006b	Supplemental Funding for Implementation of White Horse Pike Redevelopment Project	08-14-13	50,000.00	13,540.37	500.00			2,502.50	11,037.87	500.00
1006c	Various Roadway Improvements	08-14-13	20,000.00	19,559.07					19,559.07	
1006e	Acquisition of Highway Department Equipment	08-14-13	136,000.00	18,977.05				10,232.53	8,744.52	
1020a	Reconstruction/Repaving of Various Streets	06-17-14	551,000.00	66,505.01			28,065.77	62,039.40	32,531.38	
1020b	Acquisition of Various Administrative Equipment	06-17-14	24,150.00		1,886.59					1,886.59
1020d	Various Improvements to the Municipal Building	06-17-14	30,000.00	1,500.00	28,500.00				1,500.00	28,500.00
1020e	Acquisition of Various Highway Equipment	06-17-14	183,500.00	92,074.84				88,662.34	3,412.50	
1020f	Acquisition of Various Police Equipment	06-17-14	126,350.00	48,716.17	687.00			42,444.33	6,271.84	687.00
1053	Supplemental Funding for Various Streetscape Improvements	04-12-16	211,824.00							
1057a	Reconstruction/Repaving of Various Borough Streets	06-14-16	335,000.00		55,175.00			36,487.91		18,687.09
1057b	Acquisition of Police Equipment	06-14-16	45,000.00	2,250.00	42,750.00			45,000.00		
1057c	Acquisition of Fire Equipment	06-14-16	54,000.00		20,662.62			2,306.35		18,356.27
1077	Various Improvements to Recreational Areas	07-11-17	210,000.00			\$ 210,000.00		294.00	9,706.00	200,000.00
				\$ 471,416.85	\$ 150,386.88	\$ 210,000.00	\$ 74,592.45	\$ 348,204.74	\$ 289,348.82	\$ 268,842.62
								\$ 212,724.04	Disbursed	
								129,455.70	Contracts Payable	
								6,025.00	Encumbrances	
								\$ 74,592.45	\$ 348,204.74	
Deferred Charges to Future Taxation - Unfunded Capital Improvement Fund						\$ 200,000.00				
						10,000.00				
						\$ 210,000.00				

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016 (Due to)		\$ 14,110.50
Increased by:		
Receipts:		
Interest Earned - Revenue Accounts Receivable	\$ 859.28	
Received on Behalf of Current Fund	2,069.11	
Interfund Loans	<u>101,050.00</u>	
		<u>103,978.39</u>
		118,088.89
Decreased by:		
Disbursements:		
Revenue Accounts Receivable - Interest Earned		<u>859.28</u>
Balance Dec. 31, 2017 (Due to)		<u><u>\$ 117,229.61</u></u>

Exhibit SC-7

GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 33,297.24
Increased by:		
Charges to Improvement Authorizations		<u>6,025.00</u>
		39,322.24
Decreased by:		
Disbursements		<u>29,663.00</u>
Balance Dec. 31, 2017		<u><u>\$ 9,659.24</u></u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 691,829.56
Increased by:		
Charges to Improvement Authorizations		<u>129,455.70</u>
		821,285.26
Decreased by:		
Canceled to Improvement Authorizations	\$ 74,592.45	
Disbursements	<u>558,350.28</u>	
		<u>632,942.73</u>
Balance Dec. 31, 2017		<u><u>\$ 188,342.53</u></u>

Analysis of Balance Dec. 31, 2017

Ordinance No.:		
823a		\$ 4,023.64
885b		3,816.69
965		1,602.00
987a		20,370.00
987b		1,396.00
1020a		80,207.90
1020f		31,926.30
1057b		<u>45,000.00</u>
		<u><u>\$ 188,342.53</u></u>

BOROUGH OF BARRINGTON

GENERAL CAPITAL FUND

Statement of Due From State of New Jersey Department of Transportation
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	941,368.57
Decreased by:			
Receipts	\$	570,602.87	
Canceled		<u>9,957.90</u>	
			<u>580,560.77</u>
Balance Dec. 31, 2017		\$	<u><u>360,807.80</u></u>

Analysis of Balance Dec. 31, 2017

Ordinance 1006a	\$	310,807.80
Ordinance 1057a		<u>50,000.00</u>
	\$	<u><u>360,807.80</u></u>

Exhibit SC-10

GENERAL CAPITAL FUND

Statement of Capital Improvement Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	78,547.14
Increased by:		
Receipts - Current Fund Budget Appropriation		<u>60,000.00</u>
		138,547.14
Decreased by:		
Improvement Authorizations		<u>10,000.00</u>
Balance Dec. 31, 2017	\$	<u><u>128,547.14</u></u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Reserve for New Jersey Department of Transportation
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 149,910.67
Decreased by:	
Funded Ordinance 823	<u>\$ 149,910.67</u>

Exhibit SC-12

GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 106,639.16
Decreased by:	
Disbursements - Current Fund Miscellaneous Revenue	<u>25,000.00</u>
Balance Dec. 31, 2017	<u>\$ 81,639.16</u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2017

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2016	Paid by Budget Appropriation	Balance Dec. 31, 2017
			Outstanding Dec. 31, 2017					
			Date	Amount				
General Improvement Bonds (Callable on and after 11/1/2022)	11-1-2010	\$ 3,640,000.00	11-1-18/19	\$ 100,000.00	3.00%			
			11-1-20	300,000.00	3.13%			
			11-1-21	300,000.00	3.25%			
			11-1-22	400,000.00	3.35%			
			11-1-23/24/25	450,000.00	4.00%			
			11-1-26	455,000.00	4.00%	\$ 3,105,000.00	\$ 100,000.00	\$ 3,005,000.00
General Improvement Bonds (Noncallable)	7-1-2014	2,105,000.00	7-1-18	155,000.00	2.00%			
			7-1-19/20	300,000.00	2.00%			
			7-1-21/22	300,000.00	2.50%			
			7-1-23	300,000.00	2.75%	1,805,000.00	150,000.00	1,655,000.00
Taxable General Obligation Bonds (Callable on and after 7/15/2024)	7-1-2014	3,780,000.00	7-1-18/19	100,000.00	4.00%			
			7-1-20/21/22	120,000.00	4.00%			
			7-1-23/24/25/26/27	160,000.00	4.00%			
			7-1-28/29	180,000.00	4.00%			
			7-1-30/31/32	180,000.00	4.25%			
			7-1-33/34/35/36/37/38	180,000.00	5.00%			
			7-1-39	170,000.00	5.00%	3,600,000.00	90,000.00	3,510,000.00
Refunding Bonds of 2016	11-9-2016	1,600,000.00	10-1-18	513,000.00	1.26%			
			10-1-19	579,000.00	1.26%	1,600,000.00	508,000.00	1,092,000.00
						\$ 10,110,000.00	\$ 848,000.00	\$ 9,262,000.00

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Note Issue</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>
2014:1020g	Acquisition of Various Fire Equipment	03-20-15	03-17-16	03-16-17	0.789%	\$ 774,250.00		\$ 774,250.00	
2014:1020g	Acquisition of Various Fire Equipment	03-20-15	03-15-17	03-14-18	1.090%		\$ 774,250.00		\$ 774,250.00
2014:1027a	Acquisition/Improvements to White Horse Pike Properties	03-20-15	03-17-16	03-16-17	0.989%	600,000.00		600,000.00	
2014:1027a	Acquisition/Improvements to White Horse Pike Properties	03-20-15	03-15-17	03-14-18	1.480%		600,000.00		600,000.00
2014:1027b	Reconstruction of Various White Horse Pike Roads	03-20-15	03-17-16	03-16-17	0.989%	2,400,000.00		2,400,000.00	
2014:1027b	Reconstruction of Various White Horse Pike Roads	03-20-15	03-15-17	03-14-18	1.480%		2,400,000.00		2,400,000.00
						<u>\$ 3,774,250.00</u>	<u>\$ 3,774,250.00</u>	<u>\$ 3,774,250.00</u>	<u>\$ 3,774,250.00</u>

BOROUGH OF BARRINGTON
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>2017 Authorizations</u>	<u>Grants Canceled</u>	<u>Grants Received</u>	<u>Balance Dec. 31, 2017</u>
General Improvements:						
823 (877, 886, 895)	Streetscape Improvements to Clements Bridge Road	\$ 157,826.92			\$ 149,910.67	\$ 7,916.25
905	Various Capital Improvements			\$ 9,957.90		9,957.90
1006b	Supplemental Funding for Implementation of White Horse Pike	500.00				500.00
1020b	Acquisition of Various Administrative Equipment	22,942.00				22,942.00
1020d	Various Improvements to the Municipal Building	28,500.00				28,500.00
1020f	Acquisition of Various Police Equipment	687.00				687.00
1053	Supplemental Funding for Various Streetscape Improvements	201,233.00				201,233.00
1057a	Reconstruction/Repaving of Various Borough Roads	128,250.00				128,250.00
1057b	Acquisition of Police Equipment	42,750.00				42,750.00
1057c	Acquisition of Fire Equipment	51,300.00				51,300.00
1077	Various Improvements to Recreational Areas		\$ 200,000.00			200,000.00
		<u>\$ 633,988.92</u>	<u>\$ 200,000.00</u>	<u>\$ 9,957.90</u>	<u>\$ 149,910.67</u>	<u>\$ 694,036.15</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

BOROUGH OF BARRINGTON
SEWER UTILITY FUNDS
Statement of Sewer Utility Cash
Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2017

	Operating	Capital
Balance Dec. 31, 2016	\$ 134,297.07	\$ 133,766.71
Increased by Receipts:		
Sewer Utility Collector	\$ 756,134.69	
Budget Refunds	529.80	\$ 2,502.50
Miscellaneous Revenues	769.19	
Accounts Receivable	94.11	
Bond Anticipation Notes		1,992,000.00
Due Sewer Operating Fund		326.45
Due Sewer Operating Fund - Notes Pay Down		26,000.00
	<u>757,527.79</u>	<u>2,020,828.95</u>
	891,824.86	2,154,595.66
Decreased by Disbursements:		
2017 Budget Appropriations	702,335.23	
2016 Appropriation Reserves	23,018.11	
Accrued Interest on Bonds and Notes	12,095.15	21,935.10
Bond Anticipation Notes		2,018,000.00
Improvement Authorizations		20,762.30
Due Sewer Utility Operating Fund		326.45
	<u>737,448.49</u>	<u>2,061,023.85</u>
Balance Dec. 31, 2017	<u><u>\$ 154,376.37</u></u>	<u><u>\$ 93,571.81</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5 - Collector
For the Year Ended December 31, 2017

Receipts:

Interest and Cost on Delinquent Sewer Rents	\$ 7,783.43	
Sewer Rent Overpayments	3,040.07	
Miscellaneous	4,000.00	
Sewer Rents Receivable	<u>741,311.19</u>	
		\$ 756,134.69
Decreased by:		
Disbursed to Chief Financial Officer		<u><u>\$ 756,134.69</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Analysis of Sewer Capital Cash
For the Year Ended December 31, 2017

	Balance (Deficit) Dec. 31, 2016	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2017
		Miscellaneous	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	To	From	
Capital Improvement Fund	\$ 7,850.00								\$ 7,850.00
Due Sewer Utility Operating Fund	48,822.09	\$ 326.45		\$ 326.45				\$ 926.00	47,896.09
Due General Capital Fund	(196,050.00)								(196,050.00)
Accrued Interest	662.90			21,935.10			\$ 22,187.43		915.23
Improvement Authorizations:									
Ordinance									
<u>Number</u>									
756a Purchase of Television & Construction of Portions of Sewer System	3,338.60				\$ 3,338.60				
782 Design, Construction & Sliplining and/or Full Replacement of Sewer Mains, Manholes and Laterals	(426.00)						426.00		
927 Improvements to Sewer Utility System-Phase II	228,688.80	28,502.50	\$ 1,992,000.00		16,918.38	\$ 2,018,000.00		22,187.43	192,085.49
965 Improvements to Austin Avenue Sanitary Sewer System	15,875.00								15,875.00
987 Television and Construction of Various Portions of the Sanitary Sewer System	25,000.00								25,000.00
1006h Various Sewer Improvements including Jet Vac Transmission and Manhole Frames & Covers	(500.00)						500.00		
1021 Various Equipment	505.32				505.32				
	<u>\$ 133,766.71</u>	<u>\$ 28,828.95</u>	<u>\$ 1,992,000.00</u>	<u>\$ 22,261.55</u>	<u>\$ 20,762.30</u>	<u>\$ 2,018,000.00</u>	<u>\$ 23,113.43</u>	<u>\$ 23,113.43</u>	<u>\$ 93,571.81</u>

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Sewer Rents Receivable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 54,069.17
Increased by:		
Sewer Rents Levied		<u>751,642.33</u>
		805,711.50
Decreased by:		
Collections	\$ 741,311.19	
Collected in Current Fund for Sewer Utility Fund	420.00	
Overpayments Applied	<u>1,460.90</u>	
		<u>743,192.09</u>
Balance Dec. 31, 2017		<u><u>\$ 62,519.41</u></u>

Exhibit SD-5

SEWER UTILITY OPERATING FUND
Statement of Sewer Overpayments
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 1,460.90
Increased by:		
Collections		<u>3,040.07</u>
		4,500.97
Decreased by:		
Overpayments Applied		<u>1,460.90</u>
Balance Dec. 31, 2017		<u><u>\$ 3,040.07</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2017

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Transfer from</u> <u>Fixed Capital</u> <u>Authorized But</u> <u>Not Issued</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Sanitary Sewers:			
Williams Avenue and Davis Road	\$ 18,067.09		\$ 18,067.09
Oak Avenue	3,701.20		3,701.20
Williams Avenue	3,691.27		3,691.27
Various Streets	41,230.05		41,230.05
Clinton Avenue	2,817.87		2,817.87
Third Avenue	12,250.00		12,250.00
Sewer Mains:			
Clements Bridget Road	82,000.00		82,000.00
Improvement of Sanitary			
Sewerage System	2,520,329.26		2,520,329.26
General Equipment:			
Sewer Rodder Machines	18,167.25		18,167.25
Hydraulic Lift	16,752.60		16,752.60
Autocrane & Telescopic Cap	24,000.00		24,000.00
Various Sewer Equipment	118,046.32	\$ 3,338.60	121,384.92
Various Equipment		40,000.00	40,000.00
Flow Meter and Improvements			
to the Roof at the Garage	9,562.50		9,562.50
Pole Barn	35,000.00		35,000.00
Office Furniture	19,149.19		19,149.19
Jet Vac Water Tank	78,359.92		78,359.92
Wheel Loader	96,522.87		96,522.87
Computer Equipment	35,535.24		35,535.24
	<u>\$ 3,135,182.63</u>	<u>\$ 43,338.60</u>	<u>\$ 3,178,521.23</u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2016	Transfers to Fixed Capital	Balance Dec. 31, 2017
		Date	Amount			
756a	Purchase of Television & Construction of Portions of Sewer System	11-12-01	\$ 152,000.00	\$ 3,338.60	\$ 3,338.60	
927	Improvements to Sewer Utility System-Phase II	03-10-09				
		07-11-12	2,044,000.00	2,044,000.00		\$ 2,044,000.00
965	Improvements to Austin Avenue Sanitary Sewer System	05-10-11	16,000.00	16,000.00		16,000.00
987	Television & Construction of Various Portions of the Sanitary Sewer System	07-11-12	25,000.00	25,000.00		25,000.00
1021	Various Equipment	06-17-14	40,000.00	40,000.00	40,000.00	
				<u>\$ 2,128,338.60</u>	<u>\$ 43,338.60</u>	<u>\$ 2,085,000.00</u>

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Due Sewer Utility Capital Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016			\$	48,822.09
Increased by:				
Interest Earned on Deposits				<u>326.45</u>
				49,148.54
Decreased by:				
Disbursements - Miscellaneous Revenues	\$	326.45		
Deferred Charge Raised in Operating Budget		<u>926.00</u>		
				<u>1,252.45</u>
Balance Dec. 31, 2017			\$	<u><u>47,896.09</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of 2016 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After		Balance
	<u>Encumbered</u>	<u>Reserved</u>	<u>Modification</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:					
Salaries and Wages		\$ 3,290.71	\$ 3,290.71		\$ 3,290.71
Other Expenses	\$ 23,513.66	28,394.17	51,907.83	\$ 22,891.45	29,016.38
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		1.03	1.03		1.03
Unemployment Compensation Insurance					
(N.J.S.43:21-3 et seq.)		375.81	375.81	110.86	264.95
Disability Insurance		142.83	142.83	15.80	127.03
	<u>\$ 23,513.66</u>	<u>\$ 32,204.55</u>	<u>\$ 55,718.21</u>	<u>\$ 23,018.11</u>	<u>\$ 32,700.10</u>

BOROUGH OF BARRINGTON
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds, Notes and Loans
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 7,593.11
Increased by:	
Budget Appropriations for:	
Interest on Bonds, Notes and Loans	\$ 11,370.15
Charges to Improvement Authorizations	22,187.43
	<u>33,557.58</u>
	41,150.69
Decreased by:	
Payment by Sewer Capital Fund	21,935.10
Payment by Sewer Operating Fund	<u>12,095.15</u>
	<u>34,030.25</u>
Balance Dec. 31, 2017	<u><u>\$ 7,120.44</u></u>

Analysis of Accrued Interest 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>
NJ EIT Loans					
\$ 361,703.93	variable	08-01-17	12-31-17	5 months	\$ 4,130.21
Bond Anticipation Notes					
\$ 1,992,000.00	1.29%	12-18-17	12-31-17	13 Days	915.23
General Obligation Bonds					
\$ 175,000.00	2.00%	07-01-17	12-31-17	6 months	<u>2,075.00</u>
					<u><u>\$ 7,120.44</u></u>
Sewer Utility Operating Fund					\$ 6,205.21
Sewer Utility Capital Fund					<u>915.23</u>
					<u><u>\$ 7,120.44</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Schedule of Deferred Reserve For Amortization
As of December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2017</u>
965	Improvements to Austin Avenue Sanitary Sewer System	05-10-11	\$ 800.00
987	Television & Construction of Various Portions of the Sanitary Sewer System	07-11-12	1,250.00
1006h	Various Sewer Improvements including Jet Vac Transmission and Manhole Frames & Covers	08-14-13	<u>1,500.00</u>
			<u>\$ 3,550.00</u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 2,628,954.83
Increased by:		
Paid by Operating Budget:		
New Jersey Environmental Infrastructural Loan	\$ 55,386.47	
Bond Anticipation Notes	26,000.00	
Sewer Improvement Bonds	20,000.00	
Deferred Charges - Ordinances 782 and 1006h	<u>926.00</u>	
		<u>102,312.47</u>
Balance Dec. 31, 2017		<u><u>\$ 2,731,267.30</u></u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2016		Decreased	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded		Funded	Unfunded
756a	Purchase of Television & Construction of Portions of Sewer System	11-12-01	\$ 152,000.00	\$ 3,338.60		\$ 3,338.60		
927 (986)	Improvements to Sewer Utility System-Phase II Amendment	03-10-09			\$ 228,688.80	36,603.31		\$ 192,085.49
965 (970)	Improvements to Austin Avenue Sanitary Sewer System	07-11-12	2,044,000.00					
987	Television and Construction of Portions of Sanitary Sewer System	05-10-11	16,000.00	15,875.00			\$ 15,875.00	
		07-11-12	25,000.00	25,000.00			25,000.00	
1021	Various Equipment	06-17-14	40,000.00	505.32		505.32		
				<u>\$ 44,718.92</u>	<u>\$ 228,688.80</u>	<u>\$ 40,447.23</u>	<u>\$ 40,875.00</u>	<u>\$ 192,085.49</u>
Disbursed						\$ 20,762.30		
Refunded						(2,502.50)		
Accrued Interest						22,187.43		
						<u>\$ 40,447.23</u>		

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Sewer Serial Bonds
For the Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2017</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
			<u>Date</u>	<u>Amount</u>				
Sewer Improvement Bonds	07-01-14	\$ 235,000.00	07-01-18	\$ 20,000.00	2.00%			
			07-01-19	20,000.00	2.00%			
			07-01-20	25,000.00	2.00%			
			07-01-21	30,000.00	2.50%			
			07-01-22	40,000.00	2.50%			
			07-01-23	40,000.00	2.75%			
						<u>\$ 195,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 175,000.00</u>
						<u>\$ 195,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 175,000.00</u>

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loan Payable
For the Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Maturities Outstanding Dec. 31, 2017</u>		<u>Total</u>	<u>Interest Rate(A)</u>	<u>Balance Dec. 31, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
				<u>Trust Loan</u>	<u>Fund Loan</u>					
Design, Construction & Sliplining &/or Full Replacement of Sewer Mains, Manholes & Laterals	10-15-03	\$ 1,019,712.00	02-01-18		\$ 3,055.96	\$ 3,055.96				
			08-01-18	\$ 30,000.00	21,553.60	51,553.60	4.17%			
			02-01-19		2,662.89	2,662.89				
			08-01-19	35,000.00	24,243.47	59,243.47	4.27%			
			02-01-20		2,123.37	2,123.37				
			08-01-20	35,000.00	23,703.96	58,703.96	4.34%			
			02-01-21		1,583.86	1,583.86				
			08-01-21	35,000.00	23,164.44	58,164.44	4.43%			
			02-01-22		1,098.29	1,098.29				
			08-01-22	35,000.00	22,678.88	57,678.88	4.50%			
			02-01-23		585.75	585.75				
			08-01-23	40,000.00	25,249.46	65,249.46	4.56%	\$ 417,090.40	\$ 55,386.47	\$ 361,703.93
								<u>\$ 417,090.40</u>	<u>\$ 55,386.47</u>	<u>\$ 361,703.93</u>

(A) Interest applicable to Trust Loan only.

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Note Issue</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>
927	Improvements to Sewer Utility System-Phase II	07-24-13	12-20-16	12-19-17	1.09%	\$ 2,018,000.00		\$ 2,018,000.00	
927	Improvements to Sewer Utility System-Phase II	07-24-13	12-18-17	12-17-18	1.29%		\$ 1,992,000.00		\$ 1,992,000.00
						<u>\$ 2,018,000.00</u>	<u>\$ 1,992,000.00</u>	<u>\$ 2,018,000.00</u>	<u>\$ 1,992,000.00</u>
Renewal							\$ 1,992,000.00	\$ 1,992,000.00	
Paid by Budget Appropriation								26,000.00	
							<u>\$ 1,992,000.00</u>	<u>\$ 2,018,000.00</u>	

BOROUGH OF BARRINGTON
SEWER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017	Funded by Budget Appropriation
		Date	Amount		
782	Design, Construction & Sliplining &/or Full Replacement of Sewer Mains, Manholes and Laterals	06-30-03	\$ 1,050,000.00	\$ 426.00	\$ 426.00
1006h	Various Sewer Improvements including Jet Vac Transmission and Manhole Frames and Covers	08-14-13	28,500.00	500.00	500.00
				<u>\$ 926.00</u>	<u>\$ 926.00</u>

PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

BOROUGH OF BARRINGTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2017

Schedule of Financial Statement Findings

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

None.

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

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

FINANCIAL STATEMENT FINDINGS

None.

BOROUGH OF BARRINGTON
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond (A)</u>
Robert Klaus	Mayor	
Kirk Popiolek	Council President	
Michael Beach	Councilman	
Shawn Ludwig	Councilman	
Patti Harris	Councilwoman	
Ernest Rink	Councilman (Until March 2017)	
Candice Fawley	Councilwoman (Since March 2017)	
Wayne Robenolt	Councilman	
Terry Shannon	Borough Clerk, Deputy Finance Officer, Deputy Registrar, Officer for Searches of Municipal Improvements, Purchasing Agent, and Personnel Officer	\$1,000,000.00
Kristy Emmett	Tax Collector, Sewer Rent Collector, Deputy for Searches For Municipal Improvements, Tax Search Officer, Treasurer	1,000,000.00
Jennifer Trace	Tax Clerk	1,000,000.00
	Deputy Tax Collector	1,000,000.00
	Deputy Sewer Rent Collector and Deputy Tax Search Officer	1,000,000.00
Denise Moules	Deputy Treasurer	1,000,000.00
	Chief Financial Officer, Deputy Borough Clerk	1,000,000.00
Carol Fultano	Construction Technical Assistant	1,000,000.00
John Szczerbinski	Construction Code Official (Until March 2017)	1,000,000.00
Chris Mecca	Construction Code Official (Since March 2017)	1,000,000.00
Dave Uron	Chief of Police	1,000,000.00
Eileen Holcombe	Registrar of Vital Statistics, Accounts Payable Clerk	1,000,000.00
Brian Schneider	Assessor	
Timothy J. Higgins	Solicitor	
Gregory Fusco	Engineer	

(A) Faithful Performance Bond with Camden County Municipal Joint Insurance Fund and Municipal Excess Liability Fund, per loss for public employee dishonesty and faithful performance coverage.

15800

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, reading "Robert S. Marrone". The signature is written in a cursive, flowing style.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

