

**BOROUGH OF CLEMENTON**  
**COUNTY OF CAMDEN**  
**REPORT OF AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**



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**BOROUGH OF CLEMENTON**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Borough Council  
Borough of Clementon  
Clementon, New Jersey 08021

### **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 Clementon, in the County of Camden, State of New Jersey, as of December 31, 2016 and 2015, 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, 2016, 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.



## 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 Clementon, in the County of Camden, State of New Jersey, as of December 31, 2016 and 2015, 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 Clementon, in the County of Camden, State of New Jersey, as of December 31, 2016 and 2015, 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, 2016, 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 May 16, 2017 on our consideration of the Borough of Clementon, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Clementon's internal control over financial reporting and compliance.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Todd R. Saler*

Todd R. Saler  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
May 16, 2017

**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 Clementon  
Clementon, New Jersey 08021

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 Clementon, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated May 16, 2017. That report indicated that the Borough of Clementon'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 Clementon'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 Clementon's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Clementon'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 Clementon'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
May 16, 2017

## BOROUGH OF CLEMENTON

## CURRENT FUND

## Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis

As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 1,118,829.90	\$ 1,360,016.27
Cash--Change Funds	SA-2	175.00	175.00
Due to State of New Jersey:			
Veterans' and Senior Citizens' Deductions	SA-9	8.17	
		<u>1,119,013.07</u>	<u>1,360,191.27</u>
Receivables and Other Assets with Full Reserves:			
Property Acquired for Taxes - Assessed Valuation		913,600.00	913,600.00
Taxes Receivable	SA-5	361,658.49	289,093.11
Tax Title Liens Receivable	SA-6	211,470.92	161,826.59
Revenue Accounts Receivable	SA-7	22,870.57	24,167.41
Due from Animal Control Fund	SB-4		546.80
		<u>1,509,599.98</u>	<u>1,389,233.91</u>
Deferred Charges:			
Emergency Authorizations	SA-19	50,000.00	125,000.00
Unreimbursed Grant Expenditures	SA-19	82,330.00	82,330.00
Special Emergency Authorizations	SA-20	15,000.00	
		<u>147,330.00</u>	<u>207,330.00</u>
		<u>2,775,943.05</u>	<u>2,956,755.18</u>
Federal and State Grant Fund:			
Cash--Treasurer	SA-1	128,257.46	7,232.69
Due from Current Fund	SA-1		82,330.00
Federal and State Grants Receivable	SA-22	248,191.40	105,377.36
		<u>376,448.86</u>	<u>194,940.05</u>
		<u>\$ 3,152,391.91</u>	<u>\$ 3,151,695.23</u>

(Continued)

## BOROUGH OF CLEMENTON

## CURRENT FUND

## Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis

As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3; SA-8	\$ 271,406.55	\$ 185,385.09
Reserve for Encumbrances	A-3; SA-8	34,663.18	63,525.06
Reserve for Tax Map Digitalization	SA-4	15,000.00	
Due to State of New Jersey:			
Veterans' and Senior Citizens' Deductions	SA-9		1,947.41
Accounts Payable	SA-10	1,750.00	5,020.00
Prepaid Taxes	SA-11	113,118.54	110,649.63
Tax Overpayments	SA-12	65,585.97	13,883.99
Due to State of New Jersey:			
State Training Fees	SA-13	1,072.00	1,429.00
Marriage & Civil Union Fees and Burial Permits	SA-14	225.00	75.00
Due County for Added and Omitted Taxes	SA-17	426.34	601.21
Reserve for Revaluation	SA-21		61,547.90
Due to Federal and State Grant Fund	SA-1		82,330.00
Due to Trust Other Funds	SB-5	705.54	406.54
Due to Water Utility Operating Fund	SD-13	3,114.46	
Due to Sewer Utility Operating Fund	SE-4	2,933.54	
Reserve for Fire Hall Roof		4,000.00	4,000.00
Reserve for Library Aid		559.00	559.00
Road Appropriation Reserves--State Aid Projects		4,237.99	4,237.99
		<u>518,798.11</u>	<u>535,597.82</u>
Reserves for Receivables	A	1,509,599.98	1,389,233.91
Fund Balance	A-1	<u>747,544.96</u>	<u>1,031,923.45</u>
		<u>2,775,943.05</u>	<u>2,956,755.18</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants:			
Unappropriated	SA-23	223,930.22	25,782.35
Appropriated	SA-24	147,689.09	168,657.70
Reserve for Encumbrances	SA-25	4,829.55	500.00
		<u>376,448.86</u>	<u>194,940.05</u>
		<u>\$ 3,152,391.91</u>	<u>\$ 3,151,695.23</u>

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

**BOROUGH OF CLEMENTON****CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 608,000.00	\$ 390,025.00
Miscellaneous Revenues Anticipated	1,041,382.96	1,101,306.56
Receipts from Delinquent Taxes	292,526.30	401,429.32
Receipts from Current Taxes	9,899,249.02	9,870,337.11
Nonbudget Revenues	131,333.78	52,923.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	152,676.84	235,133.61
Cancellation of Tax Overpayments	8,656.99	20,053.16
Liquidation of Reserves for:		
Reserve for Revaluation	51,989.15	
Interfunds:		
Due Federal and State Grant Fund		51,063.52
Due Animal Control Fund	546.80	
Due Trust Other Fund		19,144.92
Due Municipal Open Space Trust Fund		81.98
Due General Capital Fund		1,009.40
	<u>12,186,361.84</u>	<u>12,142,507.58</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	1,786,948.00	1,727,731.00
Other Expenses	1,959,739.00	2,000,900.00
Deferred Charges and Statutory Expenditures	403,260.00	415,010.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	95,178.28	89,091.00
Other Expenses	55,909.85	43,106.38
Municipal Debt Service	560,707.01	504,999.16
Deferred Charges	125,000.00	

(Continued)

**BOROUGH OF CLEMENTON****CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>Expenditures (Cont'd):</u>		
County Taxes	\$ 2,282,885.21	\$ 2,089,283.24
Municipal Open Space Taxes	56,146.76	56,155.40
Due County for Added and Omitted Taxes	426.34	601.21
Local District School Tax	4,578,101.00	4,536,252.00
Senior Citizens Deductions Disallowed--Prior Year Taxes	1,250.00	3,500.00
Refund of Prior Year Revenue	22,188.88	
Creation of Reserves:		
Due Animal Control Fund		546.80
	<u>11,927,740.33</u>	<u>11,467,176.19</u>
Excess/(Deficit) in Revenues	258,621.51	675,331.39
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>65,000.00</u>	<u>125,000.00</u>
Statutory Excess to Fund Balance	323,621.51	800,331.39
Fund Balance January 1	<u>1,031,923.45</u>	<u>621,617.06</u>
	1,355,544.96	1,421,948.45
Decreased by:		
Utilization as Anticipated Revenue	<u>608,000.00</u>	<u>390,025.00</u>
Fund Balance December 31	<u><u>\$ 747,544.96</u></u>	<u><u>\$ 1,031,923.45</u></u>

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



**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

	Anticipated <u>Budget</u>	Special <u>N.J.S.A. 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 608,000.00	-	\$ 608,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	6,900.00		11,188.08	\$ 4,288.08
Other	35,000.00		33,525.00	(1,475.00)
Fees and Permits	94,000.00		108,932.14	14,932.14
Fines and Costs:				
Municipal Court	89,000.00		82,338.60	(6,661.40)
Interest and Costs on Taxes	75,000.00		91,954.58	16,954.58
Consolidated Municipal Property Tax Relief Aid	41,966.00		41,966.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	388,614.00		388,614.00	
Uniform Construction Code Fees	23,500.00		71,512.00	48,012.00
Public and Private Revenues Offset With Appropriations:				
Clean Communities Program	10,891.14		10,891.14	
Municipal Alliance on Alcoholism and Drug Abuse	9,546.00		9,546.00	
Body Armor Replacement Fund	1,426.14		1,426.14	
Recycling Tonnage Grant	2,965.07		2,965.07	
Safe and Secure Communities Program	36,218.00		36,218.00	
Sumner Fire Grant	5,000.00		5,000.00	
Sumner Police Grant	5,000.00		5,000.00	
Adopt-a-Road	500.00		500.00	

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

	Anticipated <u>Budget</u>	Special <u>N.J.S.A. 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Miscellaneous Revenues (Cont'd):				
Special Items of General Revenue Anticipated with Prior Written				
Consent of Director of Local Government Services:				
Uniform Fire Safety Act Fees	\$ 30,000.00		\$ 33,336.77	\$ 3,336.77
Reserve for Payment Debt	66,469.44		66,469.44	
Sewer Utility Operating Surplus of Prior Year	40,000.00		40,000.00	
	<u>961,995.79</u>	<u>-</u>	<u>1,041,382.96</u>	<u>79,387.17</u>
Total Miscellaneous Revenues				
	<u>285,000.00</u>	<u>-</u>	<u>292,526.30</u>	<u>7,526.30</u>
Receipts from Delinquent Taxes				
	<u>1,854,995.79</u>	<u>-</u>	<u>1,941,909.26</u>	<u>86,913.47</u>
Subtotal General Revenues				
	<u>3,571,703.21</u>	<u>-</u>	<u>3,484,246.64</u>	<u>(87,456.57)</u>
Amount to be Raised by Taxes for Support of Municipal Budget--				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes				
	<u>5,426,699.00</u>	<u>-</u>	<u>5,426,155.90</u>	<u>(543.10)</u>
Budget Totals				
	<u>-</u>	<u>-</u>	<u>131,333.78</u>	<u>131,333.78</u>
Nonbudget Revenues				
	<u>\$ 5,426,699.00</u>	<u>\$ -</u>	<u>\$ 5,557,489.68</u>	<u>\$ 130,790.68</u>

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 9,899,249.02
--------------------------	-----------------

Allocated to:

School, County and Municipal Open Space Taxes	6,917,559.31
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Balance for Support of Municipal Budget Revenues	2,981,689.71
--	--------------

Add:

Appropriation: "Reserve for Uncollected Taxes"	502,556.93
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Amount for Support of Municipal Budget Appropriations	<u>\$ 3,484,246.64</u>
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Receipts from Delinquent Taxes:

Tax Title Lien Collections	\$ 7,248.35
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Delinquent Tax Collections	<u>285,277.95</u>
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	<u>\$ 292,526.30</u>
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Licenses--Other:

Mercantile	\$ 3,755.00
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Other	150.00
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Rental Registration	<u>29,620.00</u>
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	<u>\$ 33,525.00</u>
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Fees and Permits:

Tower Rental Fees	\$ 66,450.52
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Registrar Fees	11,885.00
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Apartment Code Inspection	4,570.00
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Certificates of Occupancy Fees	4,040.00
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Cable Franchise Fees	16,935.62
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Amusement Games Permit	2,750.00
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Firearms Permit	190.00
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Variance Fees	950.00
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Miscellaneous	<u>1,161.00</u>
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	<u>\$ 108,932.14</u>
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(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

## Analysis of Non-Budget Revenue:

## Miscellaneous Revenue not Anticipated:

## Revenue Accounts Receivable:

## Interest Earned on Deposits:

Collected	\$	2,059.50
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Interfunds Receivable		2,075.09
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	\$	4,134.59
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## Treasurer:

Planning and Zoning Fees		50.00
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Discovery Fees		53.91
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Tax Map		1,890.00
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Duplicate Copies		11.65
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Recycling Rebates		1,221.46
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DMV Inspection Fines		150.00
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Sale of Assets		8,910.98
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Administrative Fee--Senior Citizens' and Veterans Deductions		1,100.89
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Facility Rental		24,670.00
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Return Check Fee		80.00
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FEMA		73,415.02
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Forfeited Tax Title Liens		1,200.00
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Miscellaneous		754.13
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		113,508.04
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## Due Trust Other Funds:

Forfeited TTL Balances		112.80
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Excess Payroll		201.13
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Administrative Fees--Police Outside Services		13,377.22
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		13,691.15
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	\$	131,333.78
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The accompanying Notes to Financial Statements are an integral part of this statement.

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	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>
<b><u>OPERATIONS WITHIN "CAPS"</u></b>						
GENERAL GOVERNMENT:						
Administrative						
Salaries and Wages	\$ 13,000.00	\$ 13,000.00	\$ 12,382.26		\$ 617.74	
Other Expenses	8,000.00	8,000.00	6,868.00	\$ 114.68	1,017.32	
Mayor and Council						
Salaries and Wages	26,000.00	26,000.00	25,999.00		1.00	
Other Expenses	4,100.00	4,450.00	2,658.78	138.00	1,653.22	
Municipal Clerk						
Salaries and Wages	132,000.00	133,050.00	131,998.74		1,051.26	
Other Expenses	16,975.00	16,475.00	13,901.55	645.49	1,927.96	
Elections						
Other Expenses	2,800.00	2,800.00	2,800.00			
Registrar of Vital Statistics						
Salaries and Wages	2,400.00	2,400.00	1,898.40		501.60	
Financial Administration						
Salaries and Wages	56,100.00	54,600.00	52,429.65		2,170.35	
Other Expenses	20,150.00	18,400.00	15,221.13	299.60	2,879.27	
Audit Services						
Other Expenses	30,000.00	30,000.00	28,900.00		1,100.00	
Collection of Taxes						
Salaries and Wages	65,700.00	65,700.00	64,175.78		1,524.22	
Other Expenses	7,875.00	7,875.00	6,384.37	661.81	828.82	
Assessment of Taxes						
Salaries and Wages	10,000.00	10,000.00	10,000.00			
Other Expenses	3,775.00	2,825.00	911.65	932.35	981.00	
Tax Map (Special Emergency \$15,000.00)		15,000.00	15,000.00			
Legal Services and Costs						
Other Expenses:						
Miscellaneous Expenses	34,000.00	34,000.00	29,743.75	3,951.47	304.78	
Legal Settlement (Emergency \$50,000.00)		50,000.00	48,866.47	1,133.53		
Engineering Services and Costs						
Other Expenses	17,000.00	17,000.00	15,506.25		1,493.75	
Economic Development						
Other Expenses	1,500.00	1,000.00			1,000.00	
Historic Commission						
Other Expenses	300.00	300.00			300.00	
Maintenance of Foreclosed Property						
Other Expenses	750.00	1,350.00	740.30		609.70	

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	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>
<b><u>OPERATIONS WITHIN "CAPS"</u></b>						
LAND USE ADMINISTRATION:						
Planning Board						
Salaries and Wages	\$ 11,500.00	\$ 11,500.00	\$ 10,912.47		\$ 587.53	
Other Expenses	2,200.00	1,750.00	916.94		833.06	
INSURANCE:						
General Liability	200,800.00	194,050.00	193,456.77		593.23	
Workers Compensation	1,500.00	250.00			250.00	
Employee Group Health	707,805.00	718,455.00	709,413.41		9,041.59	
Unemployment Insurance	6,000.00	4,000.00	1,279.73		2,720.27	
Health Benefit Waiver	7,000.00	7,000.00			7,000.00	
PUBLIC SAFETY:						
Police						
Salaries and Wages	1,162,164.00	1,168,714.00	1,085,733.76		82,980.24	
Other Expenses	83,400.00	84,600.00	59,947.88	\$ 9,613.86	15,038.26	
Office of Emergency Management						
Salaries and Wages	2,000.00	2,000.00	1,593.75		406.25	
Other Expenses	5,000.00	2,250.00	507.33		1,742.67	
First Aid						
Contribution to Pine Hill	8,050.00	8,050.00	7,337.00		713.00	
Fire						
Salaries and Wages	4,750.00	4,750.00	3,510.40		1,239.60	
Other Expenses:						
Miscellaneous Other Expenses	38,050.00	39,550.00	28,561.04	8,801.73	2,187.23	
Uniform Fire Safety Code (Ch. 383 P.L. 1985)						
Fire Official						
Salaries and Wages	14,925.00	14,925.00	14,325.00		600.00	
Other Expenses	11,150.00	11,150.00	5,449.46	384.32	5,316.22	
Municipal Prosecutor						
Other Expenses	8,500.00	8,500.00	7,791.63		708.37	

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	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>
<b><u>OPERATIONS WITHIN "CAPS"</u></b>						
PUBLIC WORKS:						
Streets and Roads						
Salaries and Wages	\$ 73,250.00	\$ 73,250.00	\$ 70,348.77		\$ 2,901.23	
Other Expenses	30,900.00	30,900.00	23,536.80	\$ 3,200.00	4,163.20	
Shade Tree Commission						
Other Expenses	1,250.00	1,250.00	525.00		725.00	
Solid Waste Collection						
Other Expenses	192,100.00	195,100.00	178,472.50		16,627.50	
Public Buildings and Grounds						
Other Expenses	28,300.00	27,800.00	23,439.24	1,085.07	3,275.69	
Vehicle Maintenance	15,000.00	12,000.00	9,677.72		2,322.28	
HEALTH AND HUMAN SERVICES:						
Board of Health						
Other Expenses	500.00	500.00			500.00	
Services of Visiting Nurse						
Other Expenses	100.00	100.00			100.00	
Environmental Commission (N.J.S. 40:56A-1 et seq.)						
Other Expenses	425.00	825.00	430.00		395.00	
Animal Control						
Other Expenses	20,000.00	22,000.00	22,000.00			
PARKS AND RECREATION:						
Parks and Playgrounds						
Other Expenses	6,000.00	6,750.00	5,959.26		790.74	
OTHER COMMON OPERATING FUNCTIONS:						
Compensated Absences	100.00	100.00			100.00	
Celebration of Public Events, Holidays, or Anniversaries						
Other Expenses	4,800.00	6,300.00	4,774.99	298.03	1,226.98	

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	Appropriations		Expended		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Balance Canceled</u>
<b><u>OPERATIONS WITHIN "CAPS" (CONT'D)</u></b>					
LANDFILL/SOLID WASTE DISPOSAL:					
Garbage and Trash Removal					
Landfill/Solid Waste	\$ 124,000.00	\$ 124,000.00	\$ 108,798.41		\$ 15,201.59
MUNICIPAL COURT:					
Municipal Court					
Salaries and Wages	94,000.00	94,000.00	91,896.28		2,103.72
Other Expenses	19,459.00	19,959.00	14,068.18	\$ 345.42	5,545.40
Public Defender					
Other Expenses	5,500.00	5,500.00			5,500.00
CODE ENFORCEMENT AND ADMINISTRATION:					
Construction Official					
Salaries and Wages	24,200.00	25,100.00	24,257.47		842.53
Other Expenses	4,600.00	5,200.00	4,377.15		822.85
Fire Inspector					
Salaries and Wages	4,958.00	4,958.00	3,457.60		1,500.40
Plumbing Inspector					
Salaries and Wages	6,251.00	6,251.00	4,750.92		1,500.08
Code Enforcement Officer					
Salaries and Wages	80,000.00	76,750.00	72,011.08		4,738.92
Other Expenses	3,175.00	2,725.00	1,435.19	39.98	1,249.83
Utility Expenses and Bulk Purchases					
Electric	29,000.00	31,500.00	29,040.12		2,459.88
Street Lighting	101,000.00	98,500.00	80,815.82		17,684.18
Maintenance of Traffic Lights	2,600.00	3,800.00	2,600.00	341.00	859.00
Telephone	32,400.00	32,400.00	29,769.19	1,009.49	1,621.32
Hydrant	100.00	100.00			100.00
Oil	15,000.00	14,000.00	9,260.10		4,739.90
Sewer	1,400.00	2,000.00	1,400.00		600.00
Gasoline	32,000.00	27,250.00	17,493.46	1,667.35	8,089.19
Total Operations Within "CAPS"	3,679,587.00	3,746,587.00	3,451,717.90	34,663.18	260,205.92
					-

(Continued)



**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	Appropriations		Expended		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Balance Canceled</u>
<b><u>OPERATIONS WITHIN "CAPS" (CONT'D)</u></b>					
Contingent	\$ 100.00	\$ 100.00	-	-	\$ 100.00
Total Operations Including Contingent - within "CAPS"	3,679,687.00	3,746,687.00	\$ 3,451,717.90	\$ 34,663.18	260,305.92
Detail:					
Salaries and Wages	1,783,198.00	1,786,948.00	1,681,681.33		105,266.67
Other Expenses (Including Contingent)	1,896,489.00	1,959,739.00	1,770,036.57	34,663.18	155,039.25
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u></b>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	143,000.00	141,000.00	137,851.58		3,148.42
Public Employees' Retirement System	70,060.00	70,060.00	68,358.72		1,701.28
Defined Contribution Retirement System	2,200.00	2,200.00			2,200.00
Police and Fireman's Retirement System of NJ	190,000.00	190,000.00	186,957.00		3,043.00
Total Deferred Charges and Statutory Expenditures Municipal--Within "CAPS"	405,260.00	403,260.00	393,167.30	-	10,092.70
Total General Appropriations for Municipal Purposes Within "CAPS"	4,084,947.00	4,149,947.00	3,844,885.20	34,663.18	270,398.62
<b><u>OPERATIONS EXCLUDED FROM "CAPS"</u></b>					
Recycling Tax	6,000.00	6,000.00	5,061.23		938.77
INSURANCE					
Employee Group Health	12,195.00	12,195.00	12,195.00		
Shared Services--Borough of Stratford--Electrical Inspector Salaries and Wages	6,087.28	6,087.28	6,018.12		69.16

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	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>
<b><u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u></b>						
Public and Private Programs Offset by Revenues:						
Recycling Tonnage Grant	\$ 2,965.07	\$ 2,965.07	\$ 2,965.07			
Adopt a Road Mini Grant	500.00	500.00	500.00			
Clean Communities Program	10,891.14	10,891.14	10,891.14			
Municipal Alliance on Alcoholism and Drug Abuse						
State Share	9,546.00	9,546.00	9,546.00			
Borough Share	2,386.50	2,386.50	2,386.50			
Safe and Secure Communities Program						
State Share	36,218.00	36,218.00	36,218.00			
Borough Share	52,873.00	52,873.00	52,873.00			
Body Armor Replacement	1,426.14	1,426.14	1,426.14			
Sumner Station Foundation--Fire Grant	5,000.00	5,000.00	5,000.00			
Sumner Station Foundation--Police Grant	5,000.00	5,000.00	5,000.00			
Total Operations--Excluded from "CAPS"	151,088.13	151,088.13	150,080.20	-	\$ 1,007.93	-
Detail:						
Salaries and Wages	95,178.28	95,178.28	95,109.12		69.16	
Other Expenses	55,909.85	55,909.85	54,971.08		938.77	
<b><u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u></b>						
Payment of Bond Principal	368,000.00	368,000.00	368,000.00			
Interest on Bonds	128,500.00	128,500.00	128,407.68			\$ 92.32
Payment of Loan Principal	57,856.94	57,856.94	57,856.94			
Interest on Loans	8,750.00	8,750.00	6,442.39			2,307.61
Total Municipal Debt Service--Excluded from "CAPS"	563,106.94	563,106.94	560,707.01	-	-	2,399.93

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	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>
<b><u>DEFERRED CHARGES- MUNICIPAL - EXCLUDED FROM "CAPS"</u></b>						
Emergency Authorizations	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	-	-	
Total Deferred Charges - Municipal - Excluded from "CAPS"	125,000.00	125,000.00	125,000.00	-	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	839,195.07	839,195.07	835,787.21	-	\$ 1,007.93	\$ 2,399.93
Subtotal General Appropriations	4,924,142.07	4,989,142.07	4,680,672.41	\$ 34,663.18	271,406.55	2,399.93
Reserve for Uncollected Taxes	502,556.93	502,556.93	502,556.93	-	-	-
Total General Appropriations	<u>\$ 5,426,699.00</u>	<u>\$ 5,491,699.00</u>	<u>5,183,229.34</u>	<u>\$ 34,663.18</u>	<u>\$ 271,406.55</u>	<u>\$ 2,399.93</u>
Budget		\$ 5,426,699.00				
Special Emergency Authorizations		15,000.00				
Emergency Authorizations		50,000.00				
		<u>\$ 5,491,699.00</u>				
Federal and State Grants - Appropriated			\$ 126,805.85			
Deferred Charges:						
Emergency Appropriation			125,000.00			
Reserve for Tax Map			15,000.00			
Reserve for Uncollected Taxes			502,556.93			
Disbursed			<u>4,413,866.56</u>			
			<u>\$ 5,183,229.34</u>			

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

**BOROUGH OF CLEMENTON****TRUST FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 3,728.59	\$ 4,563.20
		<u>3,728.59</u>	<u>4,563.20</u>
Other Funds:			
Cash	SB-1	535,740.39	563,971.87
Due from Current Fund	SB-5	705.54	406.54
Community Development Block Grant Receivable	SB-6	51,241.04	74,975.32
Other Accounts Receivable	SB-24	<u>6,147.84</u>	<u>2,103.06</u>
		<u>593,834.81</u>	<u>641,456.79</u>
Municipal Open Space Fund:			
Cash--Treasurer	SB-1	<u>259,642.06</u>	<u>228,844.44</u>
		<u>259,642.06</u>	<u>228,844.44</u>
		<u>\$ 857,205.46</u>	<u>\$ 874,864.43</u>

(Continued)

**BOROUGH OF CLEMENTON**  
**TRUST FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 3,728.59	\$ 3,610.40
Due to Current Fund	SB-4		546.80
Reserve for Encumbrances	SB-1		406.00
		<u>3,728.59</u>	<u>4,563.20</u>
Other Funds:			
Accounts Payable	SB-1	405.00	
Reserve for Community Development Block Grant Program	SB-8	56,904.32	44,004.32
Reserve for Payroll Deductions Payable	SB-9	12,777.45	13,189.14
Reserve for Uniform Fire Safety Act Penalties	SB-10	69,115.29	58,038.02
Reserve for Parking Offenses Adjudication Act	SB-11	426.00	386.00
Reserve for DARE Program	SB-13	6,692.45	6,682.42
Reserve for Municipal Forfeiture	SB-14	13,827.04	11,133.37
Reserve for Unemployment Compensation	SB-15	26,737.33	23,297.94
Reserve for Community Events	SB-16	6,157.17	6,692.93
Reserve for Developer's Escrow Deposits	SB-17	60,123.61	62,346.14
Reserve for Public Defender Fees	SB-18	1,112.08	406.54
Reserve for Tax Title Lien Redemption	SB-19		112.34
Reserve for Premiums Received at Tax Sales	SB-20	284,300.00	356,500.00
Reserve for Encumbrances	SB-21		1,418.60
Reserve for Federal Drug Enforcement Fund	SB-22	2,029.47	2,026.43
Reserve for Brick Fund	SB-23	1,946.90	1,941.90
Reserve for Recreation	SB-25	7,772.25	9,772.25
Reserve for Street Opening Deposits		3,000.00	3,000.00
Reserve for Police K-9		10,546.37	10,546.37
Reserve for Municipal Alliance		3,449.19	3,449.19
Reserve for Accumulated Absences		26,512.89	26,512.89
		<u>593,834.81</u>	<u>641,456.79</u>
Municipal Open Space Fund:			
Reserve for Open Space, Recreation Farmland and Historic Preservation	SB-7	259,122.06	228,844.44
Reserve for Encumbrances	SB-7	520.00	
		<u>259,642.06</u>	<u>228,844.44</u>
		<u>\$ 857,205.46</u>	<u>\$ 874,864.43</u>

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

**BOROUGH OF CLEMENTON**  
**TRUST MUNICIPAL OPEN SPACE FUND**  
**Statement of Revenues--Regulatory Basis**  
**For the Year Ended December 31, 2016**

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	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Amount to be Raised by Taxation	\$ 56,136.28	\$ 56,146.76	\$ 10.48
Reserve Funds	228,844.44	228,844.44	
Miscellaneous		335.74	335.74
	<u>\$ 284,980.72</u>	<u>\$ 285,326.94</u>	<u>\$ 346.22</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Current Year Levy

Added/Omitted Levy

\$ 56,136.28

10.48

\$ 56,146.76

Miscellaneous:

Interest on Investments

\$ 335.74

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

**BOROUGH OF CLEMENTON**  
**TRUST MUNICIPAL OPEN SPACE FUND**  
Statement of Expenditures--Regulatory Basis  
For the Year Ended December 31, 2016

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>				<u>Canceled</u>
Maintenance of Lands for Recreation and Conservation:						
Other Expenses	\$ 199,980.72	\$ 199,980.72	\$ 25,684.88	\$ 520.00		\$ 173,775.84
Acquisition of Lands for Recreation and Conservation	<u>85,000.00</u>	<u>85,000.00</u>				<u>85,000.00</u>
	<u>\$ 284,980.72</u>	<u>\$ 284,980.72</u>	<u>\$ 25,684.88</u>	<u>\$ 520.00</u>	<u>\$ -</u>	<u>\$ 258,775.84</u>

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

**BOROUGH OF CLEMENTON****GENERAL CAPITAL FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Cash	SC-1; SC-2	\$ 766,039.65	\$ 871,638.08
Deferred Charges to Future Taxation:			
Unfunded	SC-3	1,489.35	1,489.35
Funded	SC-4	4,517,448.28	4,943,305.22
		<u>\$ 5,284,977.28</u>	<u>\$ 5,816,432.65</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	SC-6	\$ 421,348.98	\$ 454,001.61
Reserve for Encumbrances	SC-7		6,476.36
Capital Improvement Fund		31,358.50	31,358.50
Reserve for Payment of Bonds and Loans	SC-8	314,565.52	381,034.96
New Jersey Environmental Trust Loans Payable	SC-9	598,448.28	656,305.22
General Serial Bonds	SC-10	3,919,000.00	4,287,000.00
Fund Balance		256.00	256.00
		<u>\$ 5,284,977.28</u>	<u>\$ 5,816,432.65</u>

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



**BOROUGH OF CLEMENTON****WATER UTILITY FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<b><u>ASSETS</u></b>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 309,585.66	\$ 296,794.40
Cash - Change Funds	SD-3	75.00	75.00
Due from Current Fund	SD-13	3,114.46	
		<u>312,775.12</u>	<u>296,869.40</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SD-5	91,892.48	93,769.54
Water Utility Liens Receivable	SD-6	1,668.60	4,796.71
		<u>93,561.08</u>	<u>98,566.25</u>
Total Operating Fund		<u>406,336.20</u>	<u>395,435.65</u>
Capital Fund:			
Cash - Treasurer	SD-1; SD-2	239,636.43	277,442.06
Fixed Capital	SD-7	3,971,787.89	3,971,787.89
Fixed Capital Authorized and Uncompleted	SD-8	2,148,210.00	2,148,210.00
Total Capital Fund		<u>6,359,634.32</u>	<u>6,397,439.95</u>
		<u>\$ 6,765,970.52</u>	<u>\$ 6,792,875.60</u>

(Continued)

**BOROUGH OF CLEMENTON****WATER UTILITY FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Operating Fund:			
Appropriation Reserves	D-3; SD-9	\$ 42,243.94	\$ 54,402.94
Reserve for Encumbrances	D-3; SD-9	10,829.80	32,605.05
Water Rental Overpayments	SD-10	3,590.25	4,085.32
Water Rental Prepayments	SD-11	9,081.85	5,093.56
Accrued Interest on Bonds	SD-15	6,357.45	8,229.28
Due to Sewer Utility Operating Fund	SD-1		4,042.17
		<u>72,103.29</u>	<u>108,458.32</u>
Reserve for Receivables	D	93,561.08	98,566.25
Fund Balance	D-1	<u>240,671.83</u>	<u>188,411.08</u>
Total Operating Fund		<u>406,336.20</u>	<u>395,435.65</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-12	277,226.31	277,257.19
Unfunded	SD-12	1,448,167.25	1,480,892.00
Contracts Payable	SD-14	1,664.84	6,714.84
Reserve for Amortization	SD-16	3,868,887.89	3,782,887.89
Capital Improvement Fund		81,000.25	81,000.25
Reserve for Deferred Amortization	SD-17	28,411.00	28,411.00
Serial Bonds	SD-18	641,000.00	727,000.00
Reserve for Payment of Bonds		12,893.44	12,893.44
Fund Balance		<u>383.34</u>	<u>383.34</u>
Total Capital Fund		<u>6,359,634.32</u>	<u>6,397,439.95</u>
		<u>\$ 6,765,970.52</u>	<u>\$ 6,792,875.60</u>

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

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
**Statements of Operations and Changes in Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Revenue and Other Income Realized:		
Fund Balance	\$ 78,600.00	\$ 99,700.00
Water Rents	782,949.83	789,653.13
Miscellaneous	27,669.99	12,319.28
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>55,841.67</u>	<u>27,321.84</u>
Total Income	<u>945,061.49</u>	<u>928,994.25</u>
Expenditures:		
Operations:		
Salaries and Wages	287,000.00	283,100.00
Other Expenses	378,000.00	370,950.00
Capital Improvements		40,000.00
Debt Service	105,100.74	94,047.60
Deferred Charges and Statutory Expenditures	<u>44,100.00</u>	<u>43,000.00</u>
Total Expenditures	<u>814,200.74</u>	<u>831,097.60</u>
Statutory Excess to Fund Balance	130,860.75	97,896.65
Fund Balance January 1	<u>188,411.08</u>	<u>190,214.43</u>
	319,271.83	288,111.08
Decreased by:		
Utilization as Anticipated Revenue:		
Water Utility Budget	<u>78,600.00</u>	<u>99,700.00</u>
Fund Balance December 31	<u><u>\$ 240,671.83</u></u>	<u><u>\$ 188,411.08</u></u>

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

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 78,600.00	\$ 78,600.00	
Water Rents	729,500.00	782,949.83	\$ 53,449.83
Miscellaneous	<u>7,000.00</u>	<u>27,669.99</u>	<u>20,669.99</u>
	<u><u>\$ 815,100.00</u></u>	<u><u>\$ 889,219.82</u></u>	<u><u>\$ 74,119.82</u></u>
Rents:			
Consumer Accounts Receivable:			
Collections		\$ 770,126.46	
Prepayments Applied		5,093.56	
Overpayments Applied		4,085.32	
Water Utility Lien Collections		<u>3,644.49</u>	
		<u><u>\$ 782,949.83</u></u>	
Miscellaneous:			
Interest Earned on Deposits:			
Collected	\$ 371.67		
Due from Water Utility Capital Fund	<u>367.24</u>		
		\$ 738.91	
Miscellaneous		40.00	
Water Connection Fees		14,000.00	
Interest on Delinquent Accounts		<u>12,891.08</u>	
		<u><u>\$ 27,669.99</u></u>	
Collected:			
Treasurer		\$ 27,302.75	
Due from Water Utility Capital Fund		<u>367.24</u>	
		<u><u>\$ 27,669.99</u></u>	

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

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operations:						
Salaries and Wages	\$ 288,000.00	\$ 287,000.00	\$ 267,521.96	\$ 295.75	\$ 19,182.29	
Other Expenses	377,000.00	378,000.00	346,808.06	10,534.05	20,657.89	
Total Operations	665,000.00	665,000.00	614,330.02	10,829.80	39,840.18	-
Debt Service:						
Payment of Bond Principal	86,000.00	86,000.00	86,000.00			
Interest on Bonds	19,500.00	19,500.00	19,100.74			\$ 399.26
Interest on Notes	500.00	500.00				500.00
	106,000.00	106,000.00	105,100.74	-	-	899.26
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	22,600.00	22,600.00	22,051.20		548.80	
Social Security System (O.A.S.I.)	21,500.00	21,500.00	19,645.04		1,854.96	
Total Deferred Charges and Statutory Expenditures	44,100.00	44,100.00	41,696.24	-	2,403.76	-
Total Water Utility Appropriations	<u>\$ 815,100.00</u>	<u>\$ 815,100.00</u>	<u>\$ 761,127.00</u>	<u>\$ 10,829.80</u>	<u>\$ 42,243.94</u>	<u>\$ 899.26</u>
Interest on Bonds and Notes Disbursed			\$ 19,100.74 742,026.26			
			<u>\$ 761,127.00</u>			

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

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
 As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<b><u>ASSETS</u></b>			
Operating Fund:			
Cash - Treasurer	SE-1	\$ 326,011.44	\$ 332,219.69
Cash - Change Funds	SE-3	75.00	75.00
Due from Water Utility Operating Fund	SE-1		4,042.17
Due from Current Fund	SE-4	<u>2,933.54</u>	<u></u>
		<u>329,019.98</u>	<u>336,336.86</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SE-5	55,439.14	55,873.76
Sewer Utility Liens Receivable	SE-6	<u>2,409.07</u>	<u>3,901.07</u>
		<u>57,848.21</u>	<u>59,774.83</u>
Total Operating Fund		<u>386,868.19</u>	<u>396,111.69</u>
Capital Fund:			
Cash - Treasurer	SE-1; SE-2	492,954.48	502,367.36
Fixed Capital	SE-9	3,652,731.58	3,652,731.58
Fixed Capital Authorized and Uncompleted	SE-10	<u>924,000.00</u>	<u>924,000.00</u>
Total Capital Fund		<u>5,069,686.06</u>	<u>5,079,098.94</u>
		<u>\$ 5,456,554.25</u>	<u>\$ 5,475,210.63</u>

(Continued)

**BOROUGH OF CLEMENTON****SEWER UTILITY FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2016 and 2015

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	E-3; SE-8	\$ 35,491.55	\$ 30,503.97
Reserve for Encumbrances	E-3; SE-8	4,457.83	13,355.12
Sewer Rental Overpayments	SE-11	2,744.32	580.87
Sewer Rental Prepayments	SE-12	30,318.77	25,593.64
Accrued Interest on Bonds	SE-14	7,287.90	9,183.88
		<u>80,300.37</u>	<u>79,217.48</u>
Reserve for Receivables	E	57,848.21	59,774.83
Fund Balance	E-1	<u>248,719.61</u>	<u>257,119.38</u>
Total Operating Fund		<u>386,868.19</u>	<u>396,111.69</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SE-13	449,393.12	448,206.00
Unfunded	SE-13	984.09	984.09
Reserve for Deferred Amortization	SE-15	46,200.00	46,200.00
Reserve for Amortization	SE-16	3,697,547.49	3,636,547.49
Contracts Payable	SE-17		5,300.00
Capital Improvement Fund		37,250.00	37,250.00
Reserve for Payment of Bonds	SE-18	5,299.21	10,599.21
Serial Bonds	SE-19	832,000.00	893,000.00
Fund Balance		<u>1,012.15</u>	<u>1,012.15</u>
Total Capital Fund		<u>5,069,686.06</u>	<u>5,079,098.94</u>
		<u>\$ 5,456,554.25</u>	<u>\$ 5,475,210.63</u>

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

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
**Statements of Operations and Changes in Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Revenue and Other Income Realized:		
Fund Balance	\$ 106,490.00	\$ 110,929.00
Reserve for Payment of Bonds	5,300.00	
Sewer Charges	604,173.28	604,379.09
Miscellaneous	17,275.94	8,575.99
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	29,000.59	29,695.76
	<u>762,239.81</u>	<u>753,579.84</u>
Total Income		
Expenditures:		
Operations:		
Salaries and Wages	257,250.00	254,550.00
Other Expenses	243,200.00	233,700.00
Capital Improvements		20,000.00
Debt Service	83,859.58	66,380.70
Deferred Charges and Statutory Expenditures	39,840.00	40,900.00
	<u>624,149.58</u>	<u>615,530.70</u>
Total Expenditures		
Statutory Excess to Fund Balance	138,090.23	138,049.14
Fund Balance January 1	257,119.38	279,999.24
	395,209.61	418,048.38
Decreased by:		
Utilization as Anticipated Revenue:		
Current Fund Budget	40,000.00	50,000.00
Sewer Utility Budget	106,490.00	110,929.00
	<u>248,719.61</u>	<u>257,119.38</u>
Fund Balance December 31		
	<u>\$ 248,719.61</u>	<u>\$ 257,119.38</u>

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



**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2016

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 106,490.00	\$ 106,490.00	
Sewer Rents	510,000.00	604,173.28	\$ 94,173.28
Reserve for Payment of Bonds	5,300.00	5,300.00	
Miscellaneous	4,500.00	17,275.94	12,775.94
	<u>\$ 626,290.00</u>	<u>\$ 733,239.22</u>	<u>\$ 106,949.22</u>
 Rents:			
Consumer Accounts Receivable:			
Collections		\$ 575,327.49	
Prepayments Applied		25,593.64	
Overpayments Applied		580.87	
Sewer Utility Lien Collections		2,671.28	
		<u>\$ 604,173.28</u>	
 Miscellaneous:			
Interest on Investments and Deposits:			
Collected	\$ 448.65		
Due from Sewer Utility Capital Fund	748.38		
Interest on Delinquent Accounts		\$ 1,197.03	
Sewer Connection Fees		4,078.91	
		12,000.00	
		<u>\$ 17,275.94</u>	
 Collected:			
Treasurer		\$ 16,527.56	
Due from Sewer Utility Capital Fund		748.38	
		<u>\$ 17,275.94</u>	

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

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2016

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operations:						
Salaries and Wages	\$ 257,250.00	\$ 257,250.00	\$ 248,489.43	\$ 295.75	\$ 8,464.82	
Other Expenses	242,700.00	243,200.00	213,802.79	4,162.08	25,235.13	
Total Operations	499,950.00	500,450.00	462,292.22	4,457.83	33,699.95	-
Debt Service:						
Payment of Bond Principal	61,000.00	61,000.00	61,000.00			
Interest on Bonds	24,500.00	24,500.00	22,859.58			\$ 1,640.42
Interest on Notes	500.00	500.00				500.00
	86,000.00	86,000.00	83,859.58	-	-	2,140.42
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	20,340.00	20,340.00	19,846.08		493.92	
Social Security System (O.A.S.I.)	20,000.00	19,500.00	18,202.32		1,297.68	
Total Deferred Charges and Statutory Expenditures	40,340.00	39,840.00	38,048.40	-	1,791.60	-
Total Sewer Utility Appropriations	<u>\$ 626,290.00</u>	<u>\$ 626,290.00</u>	<u>\$ 584,200.20</u>	<u>\$ 4,457.83</u>	<u>\$ 35,491.55</u>	<u>\$ 2,140.42</u>
Interest on Bonds and Notes Disbursed			\$ 22,859.58 561,340.62			
			<u>\$ 584,200.20</u>			

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

**BOROUGH OF CLEMENTON**  
Statement of General Fixed Assets Account Group - Regulatory Basis  
For the Year Ended December 31, 2016

	Balance Dec. 31, 2015	Additions	Deletions	Balance Dec. 31, 2016
General Fixed Assets:				
Land	\$ 6,835,610.64			\$ 6,835,610.64
Buildings	3,980,400.00			3,980,400.00
Vehicles and Equipment	<u>3,620,041.83</u>	<u>\$ 9,499.00</u>	<u>\$ 58,772.00</u>	<u>3,570,768.83</u>
Total General Fixed Assets	<u>\$ 14,436,052.47</u>	<u>\$ 9,499.00</u>	<u>\$ 58,772.00</u>	<u>\$ 14,386,779.47</u>
Total Investments in General Fixed Assets	<u>\$ 14,436,052.47</u>	<u>\$ 9,499.00</u>	<u>\$ 58,772.00</u>	<u>\$ 14,386,779.47</u>

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

**BOROUGH OF CLEMENTON**  
Notes to Financial Statements  
For the Year Ended December 31, 2016

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

**Description of Financial Reporting Entity** - The Borough of Clementon (hereafter referred to as the "Borough") was incorporated as a Borough by an act of the New Jersey legislature in 1925 and is located in Camden County, New Jersey. The population according to the 2010 census is 5,000.

The Borough has a Mayor-council form of government. The Mayor is separately elected every four years. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Administrator/Clerk.

**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 and No. 61.

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

In accordance with the *Requirements*, the Borough accounts for its financial transactions through the use of separate funds 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.

**Water Utility Operating and Capital Funds** - The water utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water 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, municipal open space, water utility and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

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

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

**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.

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

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

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due 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 Clementon 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 Clementon 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 municipality is responsible for levying, collecting, and remitting county taxes for the County of Camden. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

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

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

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.

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

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

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

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

**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, 2016, the Borough's bank balances of \$4,161,446.85 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 3,782,148.13
Uninsured and Uncollateralized	<u>379,298.72</u>
Total	<u><u>\$ 4,161,446.85</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:

**Comparative Schedule of Tax Rates**

	<u>Year Ended December 31,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$ 3.737</u>	<u>\$ 3.640</u>	<u>\$ 3.612</u>	<u>\$ 3.496</u>	<u>\$ 3.346</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.272	\$ 1.259	\$ 1.243	\$ 1.174	\$ 1.132
Municipal Open Space	.020	.020	.020	.020	.020
County	.814	.745	.803	.814	.744
Local School	1.631	1.616	1.546	1.488	1.450

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2016	\$ 280,681,400.00
2015	280,696,300.00
2014	286,086,300.00
2013	288,178,751.00
2012	289,048,477.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2016	\$ 10,494,963.89	\$ 9,899,249.02	94.32%
2015	10,220,282.80	9,870,337.11	96.58%
2014	10,336,689.02	9,895,266.25	95.73%
2013	10,079,968.32	9,691,532.22	96.15%
2012	9,676,440.94	9,277,520.68	95.88%

**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>
2016	\$ 211,470.92	\$ 361,658.49	\$ 573,129.41	5.46%
2015	161,826.59	289,093.11	450,919.70	4.41%
2014	108,970.27	408,962.55	517,932.82	5.01%
2013	87,336.83	351,084.85	438,421.68	4.35%
2012	88,216.81	373,985.64	462,202.45	4.78%

**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>
2016	40
2015	39
2014	16
2013	17
2012	14

**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>
2016	\$ 913,600.00
2015	913,600.00
2014	935,200.00
2013	935,200.00
2012	935,200.00

**Note 5: WATER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2016	\$ 93,769.54	\$ 4,796.71	\$ 777,818.80	\$ 876,385.05	\$ 782,949.83
2015	104,264.14	617.25	782,711.86	887,593.25	789,653.13
2014	91,343.96	504.25	785,699.40	877,547.61	772,666.22
2013	89,874.30	4,439.16	805,121.74	899,435.20	807,586.99
2012	65,191.70	3,708.70	771,701.72	840,602.12	746,288.66

**Note 6: 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>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2016	\$ 55,873.76	\$ 3,901.07	\$ 602,057.42	\$ 661,832.25	\$ 604,173.28
2015	59,426.72	476.49	603,953.36	663,856.57	604,379.09
2014	54,803.00	366.49	616,594.11	671,763.60	611,860.79
2013	54,891.40	932.92	618,919.74	674,744.06	619,574.17
2012	40,303.11	1,059.31	602,609.59	643,972.01	588,147.69

**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, 2016:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current		\$ 6,753.54
Trust - Other	\$ 705.54	
Water Utility - Operating	3,114.46	
Sewer Utility - Operating	2,933.54	
	<u>\$ 6,753.54</u>	<u>\$ 6,753.54</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 2017, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: 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>
2016	\$ 747,544.96	\$ 465,000.00	62.20%
2015	1,031,923.45	608,000.00	58.92%
2014	621,617.06	390,025.00	62.74%
2013	539,720.03	390,025.00	72.26%
2012	54,735.97	50,000.00	91.35%

**Note 8: FUND BALANCES APPROPRIATED (CONT'D)**

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 (cont'd):

**Water 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>
2016	\$ 240,671.83	\$ 129,689.00 (A)	53.89%
2015	188,411.08	78,600.00	41.72%
2014	190,214.43	99,700.00	52.41%
2013	186,279.68	127,175.00 (B)	68.27%
2012	126,480.77	82,740.00 (B)	65.42%

**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>
2016	\$ 248,719.61	\$ 98,955.79	39.79%
2015	257,119.38	146,490.00 (A)	56.97%
2014	279,999.24	160,929.00 (C)	57.47%
2013	269,995.31	188,929.00 (D)	69.97%
2012	236,343.48	153,760.00 (D)	65.06%

(A) Includes \$35,000 utilized in Current Fund budget

(B) Includes \$40,000 utilized in Current Fund budget

(C) Includes \$50,000 utilized in Current Fund budget

(D) Includes \$80,000 utilized in Current Fund budget

**Note 9: 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. 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.nj.gov/treasury/pensions>

**Note 9: PENSION PLANS (CONT'D)****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.

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

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

The following represents the membership tiers for PFRS:

**Tier Definition**

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year 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.

**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 7.06% in State fiscal year 2016. 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) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The Borough's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2016 was 11.92% 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.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** – Based on the most recent PERS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$111,416.00, and is payable by April 1, 2017. 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, 2015, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$110,256.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$68,881.52.

**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 increased from 8.5% to 10.0% in October 2011. 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, 2016 was 22.95% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$212,498.00, and is payable by April 1, 2017. 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, 2015, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$186,957.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$96,567.00.

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, 2016 was 1.73% of the Borough's covered payroll.

**Note 9: 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, 2016, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2016 is \$16,020.00, and is payable by April 1, 2017. Based on the PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2015 was \$17,489.00, which was paid on April 1, 2016.

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

**Public Employees' Retirement System** - At December 31, 2016, the Borough's proportionate share of the PERS net pension liability was \$3,714,403.00. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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, 2016 measurement date, the Borough's proportion was 0.0125413993%, which was a decrease of 0.0002830652% from its proportion measured as of June 30, 2015.

At December 31, 2016, the Borough's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$324,051.00. 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, 2016, the Borough's contribution to PERS was \$110,256.00, and was paid on April 1, 2016.

**Police and Firemen's Retirement System** - At December 31, 2016, 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	\$ 4,978,601.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>418,079.00</u>
	<u>\$ 5,396,680.00</u>



**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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, 2016 measurement date, the Borough's proportion was 0.0260624826%, which was an increase of 0.0030623219% from its proportion measured as of June 30, 2015. Likewise, at June 30, 2016, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0260624826%, which was an increase of 0.0030623219% from its proportion, on-behalf of the Borough, measured as of June 30, 2015.

At December 31, 2016, the Borough's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$454,793.00. 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, 2016, the Borough's contribution to PFRS was \$186,957.00, and was paid on April 1, 2016.

At December 31, 2016, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the plan as of the June 30, 2016 measurement date is \$53,399.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2016, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 69,077.00	\$ -	\$ 69,077.00	\$ -	\$ 32,635.00	\$ 32,635.00
Changes of Assumptions	769,426.00	689,577.00	1,459,003.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	141,634.00	348,841.00	490,475.00	-	-	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	-	352,266.00	352,266.00	121,295.00	422,698.00	543,993.00
Borough Contributions Subsequent to the Measurement Date	55,708.00	106,249.00	161,957.00	-	-	-
	<u>\$ 1,035,845.00</u>	<u>\$ 1,496,933.00</u>	<u>\$ 2,532,778.00</u>	<u>\$ 121,295.00</u>	<u>\$ 455,333.00</u>	<u>\$ 576,628.00</u>

\$55,708.00 and \$106,249.00 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, 2017. These amounts were based on an estimated April 1, 2018 contractually required contribution, prorated from the pension plans measurement date of June 30, 2016 to the Borough's year end of December 31, 2016.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

	<b>PERS</b>		<b>PFRS</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
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	
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	-
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

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

<b><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2017	\$ 190,098.00	\$ 196,414.00	\$ 386,512.00
2018	190,098.00	196,414.00	386,512.00
2019	225,081.00	280,052.00	505,133.00
2020	190,957.00	209,824.00	400,781.00
2021	62,608.00	52,647.00	115,255.00
	<u>\$ 858,842.00</u>	<u>\$ 935,351.00</u>	<u>\$ 1,794,193.00</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation	3.08%	3.08%
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	7.65%	7.65%
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 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. 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. Post-retirement 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, pre-retirement mortality rates were based on the RP-2000 Pre-Retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Postretirement mortality rates for female service retirements and beneficiaries were based the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. 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 (7.65% at June 30, 2016) 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, 2016 are summarized in the following table:

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

<b><u>Asset Class</u></b>	<b><u>Target Allocation</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds / Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2016 was 3.98% for PERS and 5.55% 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 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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 30% 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 2034 for PERS and through 2050 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 for PERS and through 2050 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

**Note 9: 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, 2016, the plans measurement date, calculated using a discount rate of 3.98%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>1% Decrease (2.98%)</b>	<b>Current Discount Rate (3.98%)</b>	<b>1% Increase (4.98%)</b>
Borough's Proportionate Share of the Net Pension Liability	<u>\$ 4,551,567.00</u>	<u>\$ 3,714,403.00</u>	<u>\$ 3,023,251.00</u>

**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, 2016, the plans measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 5.55%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>1% Decrease (4.55%)</b>	<b>Current Discount Rate (5.55%)</b>	<b>1% Increase (6.55%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 6,419,541.00	\$ 4,978,601.00	\$ 3,803,601.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	<u>539,082.21</u>	<u>418,079.00</u>	<u>319,408.16</u>
	<u>\$ 6,958,623.21</u>	<u>\$ 5,396,680.00</u>	<u>\$ 4,123,009.16</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 [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASB 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 Four Years)***

	<b>Measurement Date Ended June 30,</b>			
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Proportion of the Net Pension Liability	0.0125413993%	0.0128244645%	0.0133255606%	0.0134473453%
Borough's Proportionate Share of the Net Pension Liability	\$ 3,714,403.00	\$ 2,878,835.00	\$ 2,494,909.00	\$ 2,570,055.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 833,368.00	\$ 862,332.00	\$ 852,040.00	\$ 909,684.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	445.71%	333.84%	292.82%	282.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

***Schedule of the Borough's Contributions - Public Employees' Retirement System (PERS) (Last Four Years)***

	<b>Year Ended December 31,</b>			
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Contractually Required Contribution	\$ 111,416.00	\$ 110,256.00	\$ 109,854.00	\$ 101,323.00
Borough's Contribution in Relation to the Contractually Required Contribution	(111,416.00)	(110,256.00)	(109,854.00)	(101,323.00)
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll (Calendar Year)	\$ 934,360.00	\$ 852,239.00	\$ 851,446.00	\$ 859,272.00
Borough's Contributions as a Percentage of its Covered Payroll	11.92%	12.94%	12.90%	11.79%

**Note 9: 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 Four Years)***

	<b>Measurement Date Ended June 30,</b>			
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Proportion of the Net Pension Liability	0.0260624826%	0.0230001607%	0.0273945416%	0.0280839158%
Borough's Proportionate Share of the Net Pension Liability	\$ 4,978,601.00	\$ 3,831,025.00	\$ 3,445,979.00	\$ 3,733,503.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	418,079.00	335,968.00	371,074.00	348,008.00
Total	<u>\$ 5,396,680.00</u>	<u>\$ 4,166,993.00</u>	<u>\$ 3,817,053.00</u>	<u>\$ 4,081,511.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 930,548.00	\$ 783,400.00	\$ 865,920.00	\$ 881,376.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	535.02%	489.03%	397.96%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

***Schedule of the Borough's Contributions - Police and Firemen's Retirement System (PFRS) (Last Four Years)***

	<b>Year Ended December 31,</b>			
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Contractually Required Contribution	\$ 212,498.00	\$ 186,957.00	\$ 210,409.00	\$ 204,894.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(212,498.00)</u>	<u>(186,957.00)</u>	<u>(210,409.00)</u>	<u>(204,894.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 926,018.00	\$ 935,762.00	\$ 852,096.00	\$ 870,983.00
Borough's Contributions as a Percentage of its Covered Payroll	22.95%	19.98%	24.69%	23.52%



**Note 9: PENSION PLANS (CONT'D)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, 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 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 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 - None

Changes in Assumptions - For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65%, 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 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

**Plan Description** - The Borough contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan, administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1993, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number R93-55. The Borough provides postemployment health care benefits, at its cost, to all Borough retirees who at the date of retirement have not less than twenty-five (25) years of service credit in a State locally administered retirement system and have served at least twenty (20) years as an employee of the Borough. Benefits provided include health insurance, dental coverage, and prescription coverage for retirees and their dependents only during the retired employees' life.

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

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and, therefore, does not record accrued expenses related to these benefits. The Borough's contributions to SHBP for the years ended December 31, 2016, 2015, and 2014, were \$295,604.23, \$280,929.48 and \$262,868.88, respectively, which equaled the required contributions each year. There were approximately ten retired participants eligible at December 31, 2016.

**Note 11: COMPENSATED ABSENCES**

Under the existing policy of the Borough, full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days are earned at a rate of one day per month for all employees in the first year of employment. For subsequent years, vacation days are earned in accordance with the guidelines outlined in the various Borough employment contracts. Vacation days not used during the year may only be accumulated to the following year.

Upon termination of employment, employees in good standing shall be entitled to receive pay for the amount of accrued sick leave ranging from 10-50% of such unused and accumulated sick leave. The amount of accrued sick leave benefits payable in future years are calculated in accordance with the formulas outlined in Borough agreements. Benefits paid in any future year will be charged to that year's budget.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2016, accrued benefits for compensated absences are valued at \$192,336.14.

**Note 12: LEASE OBLIGATIONS**

At December 31, 2016, the Borough had lease agreements in effect for the following:

Operating:  
Four (4) Copiers  
One (1) Postage Machine

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

<u>Year</u>	<u>Amount</u>
2017	\$ 8,035.80
2018	8,035.80
2019	8,035.80
2020	6,037.56

Rental payments under operating leases for the year 2016 were \$14,182.68.

**Note 13: CAPITAL DEBT****General Improvement Bonds**

**General Obligation Bonds, Series 2005** - On February 10, 2005, the Borough issued \$1,439,000.00 of general obligation bonds, consisting of \$763,000.00 General Improvement Bonds, \$106,000.00 Sewer Utility Bonds and \$570,000.00 Water Utility Bonds, at interest rates varying from 3.70% to 3.80%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is February 1, 2018.

**General Obligation Bonds, Series 2010** - On October 18, 2010, the Borough issued \$3,670,000.00 of general obligation bonds, consisting of \$3,524,000.00 General Improvement Bonds, \$52,000.00 Sewer Utility Bonds and \$94,000.00 Water Utility Bonds, at interest rates varying from 3.00% to 4.00%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is October 1, 2025.

**General Obligation Bonds, Series 2015** - On August 6, 2015, the Borough issued \$2,355,000.00 of general obligation bonds, consisting of \$1,030,000.00 General Improvement Bonds, \$837,000.00 Sewer Utility Bonds and \$488,000.00 Water Utility Bonds, at interest rates varying from 2.00% to 3.00%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is March 1, 2027.

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

<u>Year</u>	<u>General</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 385,000.00	\$ 117,301.25	\$ 502,301.25
2018	385,000.00	106,763.75	491,763.75
2019	425,000.00	96,338.75	521,338.75
2020	450,000.00	84,370.00	534,370.00
2021	474,000.00	71,495.00	545,495.00
2022-2025	1,800,000.00	147,462.50	1,947,462.50
	<u>\$ 3,919,000.00</u>	<u>\$ 623,731.25</u>	<u>\$ 4,542,731.25</u>

<u>Year</u>	<u>Water Utility</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 94,500.00	\$ 17,213.75	\$ 111,713.75
2018	99,500.00	14,045.00	113,545.00
2019	44,500.00	11,888.75	56,388.75
2020	49,500.00	10,710.00	60,210.00
2021	55,000.00	9,362.50	64,362.50
2022-2026	248,000.00	25,627.50	273,627.50
2027	50,000.00	750.00	50,750.00
	<u>\$ 641,000.00</u>	<u>\$ 89,597.50</u>	<u>\$ 730,597.50</u>

**Note 13: CAPITAL DEBT (CONTA'D)****General Improvement Bonds (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds (cont'd):

<u>Year</u>	<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2017	\$ 62,500.00	\$ 21,698.75	\$ 84,198.75
2018	60,500.00	20,183.75	80,683.75
2019	65,500.00	18,725.00	84,225.00
2020	65,500.00	17,135.00	82,635.00
2021	76,000.00	15,345.00	91,345.00
2022-2026	412,000.00	44,700.00	456,700.00
2027	90,000.00	1,350.00	91,350.00
	<u>\$ 832,000.00</u>	<u>\$ 139,137.50</u>	<u>\$ 971,137.50</u>

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

On November 10, 2005, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$880,000.00, at no interest, from the fund loan, and \$315,000.00 at interest rates ranging from 4.0% to 5.0% from the trust loan. The proceeds were used to fund the acquisition of certain real property and property interests in approximately 35 acres of undeveloped forest land in the Borough. Semiannual debt payments are due February 1st and August 1st through 2025.

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

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2017	\$ 56,767.93	\$ 8,012.50	\$ 64,780.43
2018	69,753.98	7,412.50	77,166.48
2019	68,211.22	6,562.50	74,773.72
2020	66,668.46	5,712.50	72,380.96
2021	65,034.96	4,812.50	69,847.46
2022-2025	272,011.73	10,281.26	282,292.99
	<u>\$ 598,448.28</u>	<u>\$ 42,793.76</u>	<u>\$ 641,242.04</u>

**Note 13: CAPITAL DEBT (CONT'D)**

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 4,517,448.28	\$ 4,953,305.22	\$ 4,975,453.17
Water Utility:			
Bonds, Loans and Notes	641,000.00	727,000.00	806,230.00
Sewer Utility:			
Bonds, Loans and Notes	832,000.00	893,000.00	944,980.00
Total Issued	<u>5,990,448.28</u>	<u>6,573,305.22</u>	<u>6,726,663.17</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	1,489.35	1,489.35	150,057.35
Water Utility:			
Bonds, Loans and Notes	1,581,699.00	1,581,699.00	69.00
Sewer Utility:			
Bonds, Loans and Notes	984.09	984.09	333.09
Total Authorized but not Issued	<u>1,584,172.44</u>	<u>1,584,172.44</u>	<u>150,459.44</u>
Total Issued and Authorized but not Issued	<u>7,574,620.72</u>	<u>8,157,477.66</u>	<u>6,877,122.61</u>
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Bonds	314,565.52	381,034.96	449,193.41
Water Utility:			
Self-Liquidating	2,222,699.00	2,308,699.00	
Sewer Utility:			
Self-Liquidating	832,984.09	893,984.09	1,751,612.09
Total Deductions	<u>3,370,248.61</u>	<u>3,583,718.05</u>	<u>2,200,805.50</u>
<b>Net Debt</b>	<u>\$ 4,204,372.11</u>	<u>\$ 4,573,759.61</u>	<u>\$ 4,676,317.11</u>

**Note 13: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.671%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 881,000.00	\$ 881,000.00	
Self-Liquidating	3,055,683.09	3,055,683.09	
General	4,518,937.63	314,565.52	\$ 4,204,372.11
	<u>\$ 8,455,620.72</u>	<u>\$ 4,251,248.61</u>	<u>\$ 4,204,372.11</u>

Net debt \$4,204,372.11 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$251,632,217.67, equals 1.671%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 8,807,127.62
Less: Net Debt	<u>4,204,372.11</u>
Remaining Borrowing Power	<u>\$ 4,602,755.51</u>

**Calculation of "Self-Liquidating Purpose,"  
Water 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	\$ 889,219.82
Deductions:	
Operating and Maintenance Costs	\$ 709,100.00
Debt Service	<u>105,100.74</u>
Total Deductions	<u>814,200.74</u>
Excess in Revenue	<u>\$ 75,019.08</u>

**Note 13: 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		\$ 733,239.22
Deductions:		
Operating and Maintenance Costs	\$ 540,290.00	
Debt Service	83,859.58	
Total Deductions		<u>624,149.58</u>
Excess in Revenue		<u>\$ 109,089.64</u>

**Note 14: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2016, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2016</u>	<u>2017 Budget Appropriation</u>	<u>Balance to Succeeding Year</u>
Current Fund:			
Special Emergency Authorization	\$ 15,000.00	\$ 3,000.00	\$ 12,000.00
Emergency Authorization	50,000.00	50,000.00	-
Unreimbursed Grant Expenditures	82,330.00	82,330.00	-

The appropriations in the 2017 Budget are not less than that required by the statutes.

**Note 15: RISK MANAGEMENT**

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

**New Jersey Unemployment Compensation Insurance** - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.

**Note 15: RISK MANAGEMENT (CONT'D)**

**New Jersey Unemployment Compensation Insurance (Cont'd)** - The Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	-	\$ 3,841.19	\$ 37.30	\$ 439.10	\$ 26,737.33
2015	\$ 22,400.00	6,049.29	27.89	15,732.88	23,297.94
2014	30,000.00	3,389.93	5.31	30,930.08	10,553.64

It is estimated that there were no unreimbursed payments on behalf of the Borough as of December 31, 2016.

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

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

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

The Fund provides the Borough with the following coverage:

Fidelity Bonds - Public Employees and Public Officials  
 Business Automobile Insurance  
 Workers' Compensation and Employer's Liability  
 Property Damage other than Motor Vehicles  
 Boiler and Machinery  
 General Liability  
 Automobile Liability  
 Employment Practices Liability  
 Environmental Liability

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Borough's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2016, which can be obtained at [camdenmunicipaljif.org](http://camdenmunicipaljif.org).



**Note 16: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST**

On November 7, 2000, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Borough of Clementon authorized the establishment of the Borough of Clementon Open Space, Recreation, Farmland and Historic Preservation Trust Fund, effective January 1, 2001, for the purpose of raising revenue to acquire land, easements and or development rights to preserve undeveloped areas in the Borough of Clementon and to maintain and study land in the Borough of Clementon. A plan was prepared to identify lands for permanent open space, additions and improvements to existing parks and schools and preservation of stream corridors and other environmentally sensitive areas. The Borough proposed to levy a tax in the amount of two cents per one hundred dollars of assessed value. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Borough of Clementon Open Space, Recreation and Farmland Preservation Trust Funds.

**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.

**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 CLEMENTON**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S.A. 40A: 5-5 - Collector and Treasurer  
For the Year Ended December 31, 2016

	Regular	Federal and State Grant Fund
Balance December 31, 2015	\$ 1,360,016.27	\$ 7,232.69
Increased by Receipts:		
Uniform Fire Safety Act Fees	\$ 33,336.77	
Miscellaneous Revenue Not Anticipated	113,508.04	
Petty Cash	250.00	
Taxes Receivable	10,010,699.57	
Tax Title Liens Receivable	7,248.35	
Revenue Accounts Receivable	832,089.90	
Due State of New Jersey--Veterans' and Senior Citizens' Deductions	54,044.42	
Accounts Payable	35,650.00	
Prepaid Taxes	113,118.54	
Tax Overpayments	67,429.99	
Due State of New Jersey--State Training Fees	3,753.00	
Due State of New Jersey--Marriage and Civil Union Fees/Burial Permits	875.00	
Due Current Fund		\$ 82,330.00
Due Animal Control	546.80	
Due Trust Other Funds	19,832.90	
Due General Capital Fund	67,708.28	
Due Water Utility Operating Fund	3,114.46	
Due Sewer Utility Operating Fund	42,933.54	
Due CCMUA	5,299.64	
Federal and State Grants Receivable		126,880.18
Matching Funds for Grants		55,259.50
	<u>11,411,439.20</u>	<u>264,469.68</u>
Subtotal (Carried Forward)	12,771,455.47	271,702.37

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S.A. 40A: 5-5 - Collector and Treasurer  
For the Year Ended December 31, 2016

	Regular	Federal and State Grant Fund
Subtotal (Brought Forward)	\$ 12,771,455.47	\$ 271,702.37
Decreased by Disbursements:		
2016 Appropriations	\$ 4,413,866.56	
Petty Cash	250.00	
2015 Appropriation Reserves	96,233.31	
Accounts Payable	38,920.00	
Tax Overpayments	1,143.25	
Due State of New Jersey--State Training Fees	4,110.00	
Due State of New Jersey--Marriage and Civil Union Fees/Burial Permits	725.00	
County Taxes	2,282,885.21	
Due County for Added and Omitted Taxes	601.21	
Municipal Open Space Trust Taxes	56,146.76	
Local District School Taxes	4,578,101.00	
Reserve for Encumbrances		\$ 309.00
Reserve for Revaluation	9,558.75	
Refund of Prior Year Revenue	22,188.88	
Due Trust Other Funds	5,006.50	
Due Federal and State Grant Fund	82,330.00	
Due CCMUA	5,299.64	
Reserve for Federal and State Grants--Appropriated		143,135.91
Matching Funds for Grants	55,259.50	
	<u>11,652,625.57</u>	<u>143,444.91</u>
Balance December 31, 2016	<u><u>\$ 1,118,829.90</u></u>	<u><u>\$ 128,257.46</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
 Schedule of Change Funds  
 As of December 31, 2016

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<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 175.00

## Exhibit SA-3

**CURRENT FUND**  
 Statement of Petty Cash Funds  
 For the Year Ended December 31, 2016

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<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Finance	\$ 200.00	\$ 200.00
Police	50.00	50.00
	<u>\$ 250.00</u>	<u>\$ 250.00</u>

## Exhibit SA-4

**CURRENT FUND**  
 Statement of Reserve for Tax Map Digitalization  
 For the Year Ended December 31, 2016

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Charged to Appropriations	\$ 15,000.00
Balance December 31, 2016	<u>\$ 15,000.00</u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Taxes Receivable and Analysis of Property Tax Levy  
For the Year Ended December 31, 2016

Year	Balance Dec. 31, 2015	2016 Levy	Added Taxes	Collections		Overpayments Applied	Due from State of New Jersey	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2016
				2015	2016					
2014	\$ 342.21				\$ 342.21					
2015	288,750.90		\$ 1,250.00		284,935.74			\$ 0.01	\$ 5,058.63	\$ 6.52
	289,093.11	-	1,250.00	-	285,277.95	-	-	0.01	5,058.63	6.52
2016		\$ 10,494,963.89	-	\$ 110,649.63	9,725,421.62	\$ 5,927.77	\$ 57,250.00	183,935.68	50,127.22	361,651.97
	<u>\$ 289,093.11</u>	<u>\$ 10,494,963.89</u>	<u>\$ 1,250.00</u>	<u>\$ 110,649.63</u>	<u>\$ 10,010,699.57</u>	<u>\$ 5,927.77</u>	<u>\$ 57,250.00</u>	<u>\$ 183,935.69</u>	<u>\$ 55,185.85</u>	<u>\$ 361,658.49</u>
<u>Analysis of 2016 Property Tax Levy</u>										
<u>Tax Yield:</u>										
General Property Tax					\$ 10,489,064.80					
Added Taxes (54:4-63.1 et. seq.)					<u>5,899.09</u>					
						<u>\$ 10,494,963.89</u>				
<u>Tax Levy:</u>										
Local School District Tax					\$ 4,578,101.00					
Municipal Open Space Tax					56,146.76					
County Taxes:										
County Taxes					\$ 2,098,149.08					
County Library					132,818.33					
County Open Space					51,917.80					
Due County for Added and Omitted Taxes					<u>426.34</u>					
Total County Taxes					2,283,311.55					
Local Tax for Municipal Purposes					3,571,703.21					
Add: Additional Tax Levied					<u>5,701.37</u>					
						<u>3,577,404.58</u>				
							<u>\$ 10,494,963.89</u>			

**BOROUGH OF CLEMENTON**  
CURRENT FUND  
Statement of Tax Title Liens Receivable  
For the Year Ended December 31, 2016

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Balance December 31, 2015		\$ 161,826.59
Increased by:		
Refund of Prior Year Collections		
Transfers from Taxes Receivable	\$ 55,185.85	
Interest and Costs Accrued by Tax Sale	<u>1,706.83</u>	
		<u>56,892.68</u>
		218,719.27
Decreased by:		
Collected		<u>7,248.35</u>
Balance December 31, 2016		<u><u>\$ 211,470.92</u></u>



**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2016

	<u>Balance Dec. 31, 2015</u>	<u>Accrued in 2016</u>	<u>Collected</u>	<u>Interfunds Receivable</u>	<u>Balance Dec. 31, 2016</u>	
Miscellaneous Revenue Anticipated:						
Licenses:						
Alcoholic Beverages		\$ 11,188.08	\$ 11,188.08			
Other:						
Mercantile		3,755.00	3,755.00			
Other		150.00	150.00			
Rental Registration		29,620.00	29,620.00			
Fees and Permits:						
Tower Rental Fees		66,450.52	66,450.52			
Registrar Fees		11,885.00	11,885.00			
Apartment Code Inspection		4,570.00	4,570.00			
Certificates of Occupancy Fees		4,040.00	4,040.00			
Amusement Games Permit		2,750.00	2,750.00			
Variance Fees		950.00	950.00			
Firearms Permit		190.00	190.00			
Cable Franchise Fees	\$ 16,935.62	17,847.56	16,935.62		\$ 17,847.56	Year 2016
Miscellaneous		1,161.00	1,161.00			
Municipal Court:						
Fines and Costs	7,228.83	80,131.26	82,338.60		5,021.49	Dec. 2016
Interest and Costs on Taxes		91,954.58	91,954.58			
Consolidated Municipal Property Tax Relief Aid		41,966.00	41,966.00			
Energy Receipts Tax		388,614.00	388,614.00			
Uniform Construction Code Fees		71,512.00	71,512.00			
Miscellaneous Revenue Not Anticipated:						
Interest Earned on Deposits	2.96	4,133.15	2,059.50	\$ 2,075.09	1.52	Dec. 2016
	<u>\$ 24,167.41</u>	<u>\$ 832,868.15</u>	<u>\$ 832,089.90</u>	<u>\$ 2,075.09</u>	<u>\$ 22,870.57</u>	
Due Trust Other Funds				\$ 836.25		
Due General Capital Fund				<u>1,238.84</u>		
				<u>\$ 2,075.09</u>		

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2016

	<u>Balance Dec. 31, 2015</u>		<u>Balance</u>		<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
Mayor and Council					
Salaries and Wages		\$ 349.46	\$ 349.46		\$ 349.46
Other Expenses	\$ 594.00	700.68	1,294.68	\$ 594.00	700.68
Municipal Clerk					
Salaries and Wages		2,017.60	2,017.60	619.15	1,398.45
Other Expenses	571.34	2,319.48	2,890.82	935.35	1,955.47
Elections					
Other Expenses		388.24	388.24		388.24
Financial Administration					
Salaries and Wages		509.44	509.44		509.44
Other Expenses	392.92	5,418.05	5,810.97	532.92	5,278.05
Assessment of Taxes					
Other Expenses	933.07	185.68	1,118.75	933.07	185.68
Collection of Taxes					
Salaries and Wages		2,102.44	2,102.44		2,102.44
Other Expenses	211.93	1,885.18	2,097.11	409.94	1,687.17
Legal Services and Costs					
Other Expenses:					
Miscellaneous Expenses	45.00	3,973.62	4,018.62	45.00	3,973.62
Municipal Prosecutor					
Other Expenses		2,033.36	2,033.36		2,033.36
Engineering Services and Costs					
Other Expenses		9,395.75	9,395.75	3,288.75	6,107.00
Maintenance of Foreclosed Property					
Other Expenses	455.83	544.17	1,000.00	455.83	544.17
Public Buildings and Grounds					
Other Expenses	3,285.32	1,420.34	4,705.66	3,164.75	1,540.91
Economic Development					
Other Expenses		2,000.00	2,000.00		2,000.00
Historic Commission					
Other Expenses		300.00	300.00		300.00
Administrative					
Salaries and Wages		2,410.19	2,410.19		2,410.19
Other Expenses		2,299.05	2,299.05	2.74	2,296.31
Planning Board					
Salaries and Wages		343.94	343.94		343.94
Other Expenses	26.08	605.18	631.26	26.08	605.18
Shade Tree Commission					
Other Expenses		505.00	505.00		505.00
Environmental Commission					
Other Expenses		135.00	135.00		135.00
Fire					
Salaries and Wages		449.48	449.48		449.48
Other Expenses:					
Miscellaneous Other Expenses	12,602.13	8,777.59	21,379.72	9,851.72	11,528.00
Police					
Salaries and Wages		20,962.71	20,962.71	793.69	20,169.02
Other Expenses	10,786.57	20,303.35	31,089.92	8,716.42	22,373.50
Municipal Court					
Salaries and Wages		229.53	229.53		229.53
Other Expenses	788.40	4,005.00	4,793.40	828.40	3,965.00
Public Defender					
Other Expenses		5,200.00	5,200.00		5,200.00
First Aid					
Contribution to Pine Hill		1,363.00	1,363.00	667.00	696.00
Office of Emergency Management					
Salaries and Wages		275.00	275.00		275.00
Other Expenses	460.00	645.64	1,105.64	460.00	645.64

(Continued)

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2016

	<u>Balance Dec. 31, 2015</u>		<u>Balance</u>		<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
Uniform Fire Safety Code (Ch. 383 P.L. 1985)					
Fire Official					
Salaries and Wages		\$ 925.00	\$ 925.00		\$ 925.00
Other Expenses	\$ 5,073.00	1,187.85	6,260.85	\$ 5,043.75	1,217.10
Streets and Roads					
Salaries and Wages		6,642.10	6,642.10	469.28	6,172.82
Other Expenses	8,123.35	669.20	8,792.55	6,080.40	2,712.15
Solid Waste Collection					
Other Expenses		17,048.34	17,048.34	15,985.00	1,063.34
Vehicle Maintenance	150.00	2,597.55	2,747.55	174.23	2,573.32
Board of Health					
Other Expenses		500.00	500.00		500.00
Registrar of Vital Statistics					
Salaries and Wages		351.60	351.60		351.60
Services of Visiting Nurse					
Other Expenses		100.00	100.00		100.00
Parks and Playgrounds					
Other Expenses	600.00	278.85	878.85	595.01	283.84
Celebration of Public Events, Holidays, or Anniversaries					
Other Expenses	9.48	821.53	831.01	9.48	821.53
Compensated Absences		100.00	100.00		100.00
Insurance					
General Liability	1,754.20		1,754.20	1,754.20	
Unemployment Insurance		1,352.46	1,352.46		1,352.46
Group Insurance Plan for Employees	1,831.01	5,389.50	7,220.51	1,831.01	5,389.50
Health Benefit Waiver		1,640.75	1,640.75		1,640.75
Workmen's Compensation Insurance		750.00	750.00		750.00
Landfill/Solid Waste					
Garbage and Trash Removal					
Landfill/Solid Waste		17,901.83	17,901.83	13,136.23	4,765.60
Construction Code Official					
Salaries and Wages		226.55	226.55		226.55
Other Expenses		1,449.32	1,449.32	640.00	809.32
Fire Inspector					
Salaries and Wages		450.40	450.40		450.40
Plumbing Inspector					
Salaries and Wages		1,500.08	1,500.08		1,500.08
Electrical Inspector					
Salaries and Wages		1,512.72	1,512.72		1,512.72
Code Enforcement Officer					
Salaries and Wages		2,906.27	2,906.27		2,906.27
Other Expenses	251.30	105.36	356.66	176.90	179.76
Utility and Bulk Purchases					
Oil	1,070.05	2,065.17	3,135.22	1,070.05	2,065.17
Telephone	2,385.90	1,411.12	3,797.02	2,585.90	1,211.12
Street Lighting	9,251.06	739.33	9,990.39	9,251.06	739.33
Maintenance of Traffic Lights		545.77	545.77		545.77
Gasoline		4,409.72	4,409.72	2,533.34	1,876.38
Electric Utility	1,873.12	1,064.15	2,937.27	1,873.12	1,064.15
Hydrant		100.00	100.00		100.00
Sewer		348.98	348.98		348.98
Contingent		100.00	100.00		100.00
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		1,061.76	1,061.76	314.97	746.79
Public Employees' Retirement System		627.22	627.22		627.22
Defined Contribution Retirement Plan		1,501.00	1,501.00		1,501.00
Operation Excluded From "CAPS"					
Recycling Tax		950.46	950.46	384.57	565.89
	<u>\$ 63,525.06</u>	<u>\$ 185,385.09</u>	<u>\$ 248,910.15</u>	<u>\$ 96,233.31</u>	<u>\$ 152,676.84</u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Due to/from State of New Jersey  
Veterans' and Senior Citizens' Deductions  
For the Year Ended December 31, 2016

---

Balance December 31, 2015 (Due to)		\$ 1,947.41
Increased by:		
Received from State of New Jersey		<u>54,044.42</u>
		55,991.83
Decreased by:		
Accrued in 2016:		
Deductions Allowed per Tax Billings	\$ 5,000.00	
Deductions Allowed by Tax Collector	<u>58,500.00</u>	
	63,500.00	
Less: Deductions Disallowed by Collector	<u>6,250.00</u>	
		\$ 57,250.00
Deductions Disallowed by Tax Collector--Prior Year Taxes		<u>1,250.00</u>
		<u>56,000.00</u>
Balance December 31, 2016 (Due from)		<u><u>\$ 8.17</u></u>

## Exhibit SA-10

**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 5,020.00
Increased by:		
Cash Receipts		<u>35,650.00</u>
		40,670.00
Decreased by:		
Disbursed		<u>38,920.00</u>
Balance December 31, 2016		<u><u>\$ 1,750.00</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
**Statement of Prepaid Taxes**  
**For the Year Ended December 31, 2016**

---

Balance December 31, 2015	\$ 110,649.63
Increased by:	
Collections--2017 Taxes Receivable	<u>113,118.54</u>
	223,768.17
Decreased by:	
Application to 2016 Taxes Receivable	<u>110,649.63</u>
Balance December 31, 2016	<u><u>\$ 113,118.54</u></u>

## Exhibit SA-12

**CURRENT FUND**  
**Statement of Tax Overpayments**  
**For the Year Ended December 31, 2016**

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Balance December 31, 2015	\$ 13,883.99
Increased by:	
Overpayments	<u>67,429.99</u>
	81,313.98
Decreased by:	
Refunded	\$ 1,143.25
Canceled	8,656.99
Applied to Taxes Receivable	<u>5,927.77</u>
	<u>15,728.01</u>
Balance December 31, 2016	<u><u>\$ 65,585.97</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Due to State of New Jersey  
State Training Fees  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 1,429.00
Increased by:	
Receipts	<u>3,753.00</u>
	5,182.00
Decreased by:	
Disbursements	<u>4,110.00</u>
Balance December 31, 2016	<u><u>\$ 1,072.00</u></u>

## Exhibit SA-14

**CURRENT FUND**  
Statement of Due to State of New Jersey  
Marriage and Civil Union Licenses and Burial Permits  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 75.00
Increased by:	
Receipts	<u>875.00</u>
	950.00
Decreased by:	
Disbursements	<u>725.00</u>
Balance December 31, 2016	<u><u>\$ 225.00</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2016

---

2016 Levy:		
General County	\$ 2,098,149.08	
County Library	132,818.33	
County Open Space	<u>51,917.80</u>	
		\$ 2,282,885.21
Decreased by:		
Disbursements		<u><u>\$ 2,282,885.21</u></u>

## Exhibit SA-16

**CURRENT FUND**  
Statement of Municipal Open Space Taxes Payable  
For the Year Ended December 31, 2016

---

2016 Levy	\$ 56,136.28	
Municipal Open Space Share of Added Assessments	<u>10.48</u>	
		\$ 56,146.76
Decreased by:		
Disbursements:		
Reserve for Open Space, Recreation Farmland and Historic Preservation		<u><u>\$ 56,146.76</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Due County for Added and Omitted Taxes  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 601.21
Increased by:	
County Share of 2016 Levy:	
Added Taxes	<u>426.34</u>
	1,027.55
Decreased by:	
Disbursements	<u>601.21</u>
Balance December 31, 2016	<u><u>\$ 426.34</u></u>

## Exhibit SA-18

**CURRENT FUND**  
Statement of Local District School Taxes  
For the Year Ended December 31, 2016

---

School Tax Levy - Calendar Year 2016	\$ 4,578,101.00
Decreased by:	
Disbursements	<u><u>\$ 4,578,101.00</u></u>



**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
**Statement of Deferred Charges**  
**For the Year Ended December 31, 2016**

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	Balance <u>Dec. 31, 2015</u>	Added in <u>2016</u>	Raised in <u>2016 Budget</u>	Balance <u>Dec. 31, 2016</u>
Emergency Authorizations	\$ 125,000.00	\$ 50,000.00	\$ 125,000.00	\$ 50,000.00
Unreimbursed Grant Expenditures	<u>82,330.00</u>			<u>82,330.00</u>
	<u><u>\$ 207,330.00</u></u>	<u><u>\$ 50,000.00</u></u>	<u><u>\$ 125,000.00</u></u>	<u><u>\$ 132,330.00</u></u>

**BOROUGH OF CLEMENTON**  
**CURRENT FUND**  
Statement of Deferred Charges  
N.J.S. 40A:4-55 Special Emergency Authorizations  
For the Year Ended December 31, 2016

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<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Added in 2016</u>	<u>Balance Dec. 31, 2016</u>
10-18-16	Tax Map Digitalization	\$ 15,000.00	\$ 3,000.00	<u>\$ 15,000.00</u>	<u>\$ 15,000.00</u>

**Exhibit SA-21**

**CURRENT FUND**  
Statement of Reserve for Revaluation  
For the Year Ended December 31, 2016

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Balance December 31, 2015		\$ 61,547.90
Decreased by:		
Canceled	\$ 51,989.15	
Disbursed	<u>9,558.75</u>	
		<u>\$ 61,547.90</u>

**BOROUGH OF CLEMENTON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2016</u>
Federal Programs:				
Justice Assistance Grant	\$ 210.35			\$ 210.35
Over the Limit Under Arrest	250.00			250.00
Total Federal Programs	59,595.20	-	-	460.35
State Programs:				
Clean Communities Program		\$ 12,467.84	\$ 12,467.84	
New Jersey Department of Transportation	59,134.85	200,000.00	59,134.85	200,000.00
Body Armor Replacement Fund		1,462.38	1,462.38	
NJDEP--NJ Forest Service Stimulus Fund	4,400.00			4,400.00
Green Communities	3,000.00			3,000.00
Municipal Alliance on Alcoholism and Drug Abuse	2,164.16	9,546.00	7,597.11	4,113.05
Safe and Secure Communities Program	36,218.00	36,218.00	36,218.00	36,218.00
Total State Programs	45,782.16	259,694.22	116,880.18	247,731.05
Local Programs:				
Sumner Station Fire Grant		5,000.00	5,000.00	
Sumner Station Police Grant		5,000.00	5,000.00	
Total Local Programs	-	10,000.00	10,000.00	-
Total All Programs	\$ 105,377.36	\$ 269,694.22	\$ 126,880.18	\$ 248,191.40

**BOROUGH OF CLEMENTON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants - Unappropriated  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2016 Budget</u>	<u>Balance Dec. 31, 2016</u>
State Programs:				
Clean Communities Program	\$ 10,891.14	\$ 12,467.84	\$ 10,891.14	\$ 12,467.84
New Jersey Department of Transportation		200,000.00		200,000.00
Body Armor Replacement Fund	1,426.14	1,462.38	1,426.14	1,462.38
Recycling Tonnage Grant	2,965.07		2,965.07	
Municipal Alliance on Alcoholism and Drug Abuse		9,546.00	9,546.00	
Safe and Secure Communities Program		36,218.00	36,218.00	
Total State Programs	<u>15,282.35</u>	<u>259,694.22</u>	<u>61,046.35</u>	<u>213,930.22</u>
Local Programs:				
Camden County Open Space Grant	500.00		500.00	
Sumner Station Foundation--Police Grant	5,000.00	5,000.00	5,000.00	5,000.00
Sumner Station Foundation--Fire Grant	5,000.00	5,000.00	5,000.00	5,000.00
Total Local Programs	<u>10,500.00</u>	<u>10,000.00</u>	<u>10,500.00</u>	<u>10,000.00</u>
Total All Programs	<u>\$ 25,782.35</u>	<u>\$ 269,694.22</u>	<u>\$ 71,546.35</u>	<u>\$ 223,930.22</u>

**BOROUGH OF CLEMENTON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants - Appropriated  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Transferred from 2016 Budget Appropriation</u>	<u>Paid or Charged</u>	<u>Prior Year Orders Canceled</u>	<u>Balance Dec. 31, 2016</u>
Federal Programs:					
Municipal Stormwater Regulation Program	\$ 2,638.56		\$ 1,973.15		\$ 665.41
Over the Limit Under Arrest	250.00		119.99		130.01
Total Federal Programs	24,861.64	-	2,093.14	-	795.42
State Programs:					
Pothole Program	348.25				348.25
Drunk Driving Enforcement Grant	6,029.87		502.00		5,527.87
Recycling Tonnage Grant	33,688.33	\$ 2,965.07	250.00		36,403.40
Clean Communities Program	1,167.98	10,891.14	11,794.46	\$ 191.00	455.66
New Jersey Department of Transportation	21,973.08				21,973.08
Green Communities	400.00				400.00
Body Armor Replacement Fund	4,597.18	1,426.14	2,088.85		3,934.47
NJDEP--NJ Forest Service Stimulus Fund	7,000.15				7,000.15
Municipal Alliance on Alcoholism and Drug Abuse	15,004.55	11,932.50	5,806.07		21,130.98
Safe and Secure Communities Program		89,091.00	89,091.00		
Total State Programs	68,236.31	116,305.85	109,532.38	191.00	97,173.86
Local Programs:					
Adopt a Road	1,000.00	500.00			1,500.00
Sumner Station Foundation--Police Grant	6,579.03	5,000.00	7,865.00		3,714.03
Sumner Station Foundation--Fire Grant	10,050.00	5,000.00	1,675.94		13,374.06
Camden County Open Space Grant	50,000.00		26,799.00		23,201.00
Camden County Open Space Pedestrian Walkway	5,350.00				5,350.00
Recycling Tonnage Rebate Program	2,580.72				2,580.72
Total Local Programs	75,559.75	10,500.00	36,339.94	-	49,719.81
Total All Programs	\$ 168,657.70	\$ 126,805.85	\$ 147,965.46	\$ 191.00	\$ 147,689.09
Disbursed			\$ 143,135.91		
Reserve for Encumbrances			4,829.55		
			\$ 147,965.46		

**BOROUGH OF CLEMENTON**  
FEDERAL AND STATE GRANT FUND  
Reserve for Encumbrances  
For the Year Ended December 31, 2016

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Balance December 31, 2015		\$	500.00
Increased by:			
Charged to Appropriated Reserves			<u>4,829.55</u>
			5,329.55
Decreased by:			
Cancelled	\$	191.00	
Disbursed		<u>309.00</u>	
			<u>500.00</u>
Balance December 31, 2016		\$	<u><u>4,829.55</u></u>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF CLEMENTON**  
**TRUST FUND**  
Statement of Trust Cash  
Per N.J.S.A. 40A:5-5 - Treasurer and Collector  
For the Year Ended December 31, 2016

	Animal Control	Trust Other Funds	Municipal Open Space
Balance December 31, 2015	\$ 4,563.20	\$ 563,971.87	\$ 228,844.44
Increased by Receipts:			
Reserve for Dog Fund Expenditures	\$ 24,079.64		
State Registration Fees	391.20		
Due Current Fund		\$ 14,933.94	
Accounts Payable		405.00	
Due County of Camden - CDBG		48,634.28	
Reserve for Open Space, Recreation Farmland and Historic Preservation			\$ 56,482.50
Reserve for Payroll Deductions Payable		1,108,777.49	
Reserve for Uniform Fire Safety Act Penalties		17,497.27	
Reserve for Parking Offenses Adjudication Act		40.00	
Reserve for Police Outside Employment		109,669.24	
Reserve for DARE Program		10.03	
Reserve for Municipal Forfeiture Fund		2,693.67	
Reserve for Unemployment Compensation		3,878.49	
Reserve for Developer's Escrow Deposits		50,533.05	
Reserve for Redemption of Tax Sale Certificates		382,664.96	
Reserve for Tax Sale Premiums		39,700.00	
Reserve for Federal Drug Enforcement Fund		3.04	
Reserve for Brick Fund		35.00	
Other Accounts Receivable		7,278.06	
Net Payroll		1,476,796.26	
	<u>24,470.84</u>	<u>3,263,549.78</u>	<u>56,482.50</u>
	29,034.04	3,827,521.65	285,326.94

(Continued)



**BOROUGH OF CLEMENTON**  
**TRUST FUND**  
Statement of Trust Cash  
Per N.J.S.A. 40A:5-5 - Treasurer and Collector  
For the Year Ended December 31, 2016

	Animal Control	Trust Other Funds	Municipal Open Space
Decreased by Disbursements			
Expenditures under R.S. 4:19-15.11	\$ 23,961.45		
State Registration Fees	391.20		
Due Current Fund	546.80	\$ 14,527.40	
Reserve for Open Space, Recreation Farmland and Historic Preservation			\$ 25,684.88
Reserve for Community Development Block Grant Program		12,000.00	
Reserve for Payroll Deductions Payable		1,109,189.18	
Reserve for Uniform Fire Safety Act Penalties		6,420.00	
Reserve for Police Outside Employment		109,669.24	
Reserve for Unemployment Compensation		439.10	
Reserve for Community Events		373.00	
Reserve for Developer's Escrow Deposits		52,755.58	
Reserve for Redemption of Tax Sale Certificates		382,777.30	
Reserve for Premiums Received at Tax Sale		111,900.00	
Reserve for Encumbrances	406.00	1,581.36	
Reserve for Brick Fund		30.00	
Other Accounts Receivable		11,322.84	
Reserve for Recreation		2,000.00	
Net Payroll		1,476,796.26	
	<u>\$ 25,305.45</u>	<u>\$ 3,291,781.26</u>	<u>\$ 25,684.88</u>
Balance December 31, 2016	<u><u>\$ 3,728.59</u></u>	<u><u>\$ 535,740.39</u></u>	<u><u>\$ 259,642.06</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST ANIMAL CONTROL FUND**  
Statement of Reserve for Animal Control Expenditures  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 3,610.40
Increased by:		
Current Fund Budget Appropriations	\$ 22,000.00	
Dog License Fees	1,622.30	
Cat License Fees	448.60	
Interest Earned on Deposits	<u>8.74</u>	
		<u>24,079.64</u>
		27,690.04
Decreased by:		
Disbursements:		
Expenditures under R.S. 4:19-15.11		<u>23,961.45</u>
Balance December 31, 2016		<u><u>\$ 3,728.59</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2014	\$ 2,345.95
2015	<u>2,078.50</u>
	<u><u>\$ 4,424.45</u></u>

**BOROUGH OF CLEMENTON**  
TRUST ANIMAL CONTROL FUND  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2016

---

State Registration Fees Collected	\$ 391.20
Decreased by:	
Disbursements	<u>\$ 391.20</u>

## Exhibit SB-4

ANIMAL CONTROL FUND  
Statement of Due to Current Fund  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 546.80
Decreased by:	
Disbursements	<u>\$ 546.80</u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 406.54
Increased by:		
Public Defender Fees Collected by Current Fund	\$ 5,305.50	
Interfund Loans Returned	<u>14,527.40</u>	
		<u>19,832.90</u>
		20,239.44
Decreased by:		
Receipts:		
Interfund Loans Received	\$ 406.54	
Interest Earned on Deposits	836.25	
Realized as Miscellaneous Revenue Not Anticipated:		
Forfeited Tax Title Liens	112.80	
Excess Payroll Funds	201.13	
Police Outside Services Administration Fees	<u>13,377.22</u>	
		14,933.94
Public Defender Expenditures Disbursed by Current Fund	<u>4,599.96</u>	
		<u>19,533.90</u>
Balance December 31, 2016		<u><u>\$ 705.54</u></u>

**BOROUGH OF CLEMENTON****TRUST OTHER FUND**Statement of Community Development Block Grant Receivable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 74,975.32
Increased by:	
Entitlements Accrued in 2016:	
Year 37	<u>24,900.00</u>
	99,875.32
Decreased by:	
Receipts	<u>48,634.28</u>
Balance December 31, 2016	<u><u>\$ 51,241.04</u></u>

Analysis of Balance Dec. 31, 2016

<u>Project</u>	<u>Entitlement Year</u>	<u>Amount</u>
Ohio Ave	34	\$ 15,477.66
Ohio Ave	36	10,397.66
Trout Ave	37	465.72
Ohio Ave Sidewalk	38	<u>24,900.00</u>
		<u><u>\$ 51,241.04</u></u>

**BOROUGH OF CLEMENTON****TRUST OTHER FUND**

## Statement of Reserve for Open Space, Recreation Farmland and Historic Preservation

For the Year Ended December 31, 2016

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Balance December 31, 2015		\$ 228,844.44
Increased by:		
Receipts:		
Interest Earned on Deposits	\$ 335.74	
2016 Municipal Open Space Tax Levy	56,136.28	
Municipal Portion of Added and Omitted Assessments	<u>10.48</u>	
		<u>56,482.50</u>
		285,326.94
Decreased by:		
Encumbered	520.00	
Disbursements	<u>25,684.88</u>	
		<u>26,204.88</u>
Balance December 31, 2016		<u><u>\$ 259,122.06</u></u>

**BOROUGH OF CLEMENTON****TRUST OTHER FUND**

## Statement of Reserve for Community Development Block Grant Program

For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 44,004.32
Increased by:	
Entitlements Accrued in 2016:	
Year 38	<u>24,900.00</u>
	68,904.32
Decreased by:	
Disbursed	<u>12,000.00</u>
Balance December 31, 2016	<u><u>\$ 56,904.32</u></u>

Analysis of Balance December 31, 2016

<u>Project</u>	<u>Entitlement Year</u>	<u>Amount</u>
Ohio Ave	35	\$ 21,606.66
Ohio Ave	36	10,397.66
Ohio Ave Sidewalk	38	<u>24,900.00</u>
		<u><u>\$ 56,904.32</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Payroll Deductions Payable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 13,189.14
Increased by:	
Payroll Deductions and Employer Share of Social Security	<u>1,108,777.49</u>
	1,121,966.63
Decreased by:	
Disbursements	<u>1,109,189.18</u>
Balance December 31, 2016	<u><u>\$ 12,777.45</u></u>
<u>Analysis of Balance December 31, 2016</u>	
<u>Deduction</u>	<u>Amount</u>
PERS	\$ (319.05)
PFRS	11,527.40
Aflac	<u>1,569.10</u>
	<u><u>\$ 12,777.45</u></u>



**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Uniform Fire Safety Act Penalties  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$	58,038.02
Increased by:			
Receipts:			
Interest Earned on Deposits	\$	92.27	
Penalties		<u>17,405.00</u>	
			<u>17,497.27</u>
			75,535.29
Decreased by:			
Disbursements			<u>6,420.00</u>
Balance December 31, 2016		\$	<u><u>69,115.29</u></u>

**BOROUGH OF CLEMENTON****TRUST OTHER FUND**

## Statement of Reserve for Parking Offenses Adjudication Act

For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$	386.00
Increased by:		
Receipts		<u>40.00</u>
Balance December 31, 2016	\$	<u><u>426.00</u></u>

**Exhibit SB-12****TRUST OTHER FUND**

## Statement of Reserve for Police Outside Employment

For the Year Ended December 31, 2016

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Receipts	\$	109,669.24
Decreased by:		
Disbursements	\$	<u><u>109,669.24</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for DARE Program  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 6,682.42
Increased by:	
Interest Earned on Deposits	<u>10.03</u>
Balance December 31, 2016	<u><u>\$ 6,692.45</u></u>

## Exhibit SB-14

**TRUST OTHER FUND**  
Statement of Reserve for Municipal Forfeiture Fund  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 11,133.37
Increased by:		
Interest Earned on Deposits	\$ 20.27	
Deposits	<u>2,673.40</u>	
		<u>2,693.67</u>
Balance December 31, 2016		<u><u>\$ 13,827.04</u></u>

**BOROUGH OF CLEMENTON****TRUST OTHER FUND**

## Statement of Reserve for New Jersey State Unemployment Compensation Insurance

For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$	23,297.94
Increased by:			
Receipts:			
Interest Earned on Deposits	\$	37.30	
Employee Deductions		<u>3,841.19</u>	
			<u>3,878.49</u>
			27,176.43
Decreased by:			
Disbursements:			
Payment of Claims			<u>439.10</u>
Balance December 31, 2016		\$	<u><u>26,737.33</u></u>

**Exhibit SB-16****TRUST OTHER FUND**

## Statement of Reserve for Community Events

For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$	6,530.17
Decreased by:			
Disbursements			<u>373.00</u>
Balance December 31, 2016		\$	<u><u>6,157.17</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Developer's Escrow Deposits  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 62,346.14
Increased by:	
Receipts:	
Escrow Deposits	<u>50,533.05</u>
	112,879.19
Decreased by:	
Disbursements	<u>52,755.58</u>
Balance December 31, 2016	<u><u>\$ 60,123.61</u></u>

## Exhibit SB-18

**TRUST OTHER FUND**  
Statement of Reserve for Public Defender Fees  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 406.54
Increased by:	
Fees Collected by Current Fund	<u>5,305.50</u>
	5,712.04
Decreased by:	
Disbursed by Current Fund	<u>4,599.96</u>
Balance December 31, 2016	<u><u>\$ 1,112.08</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Redemption of Tax Sale Certificates  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 112.34
Increased by:	
Deposits for Redemption of Tax Title Liens	<u>382,664.96</u>
	382,777.30
Decreased by:	
Disbursements:	
Redemption of Tax Title Liens	<u><u>\$ 382,777.30</u></u>

## Exhibit SB-20

**TRUST OTHER FUND**  
Statement of Premiums Received at Tax Sales  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 356,500.00
Increased by:	
Receipts:	
Deposits for Premiums of Tax Title Liens	<u>39,700.00</u>
	396,200.00
Decreased by:	
Disbursements:	
Premiums of Tax Title Liens	<u>111,900.00</u>
Balance December 31, 2016	<u><u>\$ 284,300.00</u></u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 1,418.60
Decreased By:	
Disbursed	<u>\$ 1,418.60</u>

## Exhibit SB-22

**TRUST OTHER FUND**  
Statement of Reserve for Federal Drug Enforcement Fund  
For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 2,026.43
Increased by:	
Receipts:	
Interest Earned on Deposits	<u>3.04</u>
Balance December 31, 2016	<u>\$ 2,029.47</u>

**BOROUGH OF CLEMENTON**  
**TRUST OTHER FUND**  
Statement of Reserve for Brick Fund  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 1,941.90
Increased by:	
Receipts	<u>35.00</u>
	1,976.90
Decreased by:	
Disbursements	<u>30.00</u>
Balance December 31, 2016	<u><u>\$ 1,946.90</u></u>

## Exhibit SB-24

**TRUST OTHER FUND**  
Statement of Other Accounts Receivable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 2,103.06
Increased by:	
Disbursements	<u>11,322.84</u>
	13,425.90
Decreased by:	
Receipts	<u>7,278.06</u>
Balance December 31, 2016	<u><u>\$ 6,147.84</u></u>
<u>Analysis of Balance December 31, 2016</u>	
Police Outside Services	\$ 5,779.00
Employee Deductions--Unemployment Compensation	<u>368.84</u>
	<u><u>\$ 6,147.84</u></u>



**BOROUGH OF CLEMENTON**  
TRUST OTHER FUND  
Statement of Reserve for Recreation  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 9,772.25
Decreased by:	
Disbursements	<u>2,000.00</u>
Balance December 31, 2016	<u><u>\$ 7,772.25</u></u>

**SUPPLEMENTAL EXHIBITS**  
**GENERAL CAPITAL FUND**

**BOROUGH OF CLEMENTON**  
GENERAL CAPITAL FUND  
Statement of General Capital Cash  
Per N.J.S. 40A: 5-5 - Treasurer  
For the Year Ended December 31, 2016

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Balance December 31, 2015			\$ 871,638.08
Increased by Receipts:			
Due Current Fund			<u>1,238.84</u>
			872,876.92
Decreased by Disbursements:			
Due Current Fund	\$ 67,708.28		
Improvement Authorizations	32,652.63		
Reserve for Encumbrances	<u>6,476.36</u>		
			<u>106,837.27</u>
Balance December 31, 2016			<u><u>\$ 766,039.65</u></u>

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2016

		<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		<u>Balance</u>
		<u>Balance</u>	<u>Miscellaneous</u>	<u>Improvement</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	<u>Dec. 31, 2016</u>
		<u>Dec. 31, 2015</u>		<u>Authorizations</u>				
<u>Improvement Authorizations:</u>								
<u>Ordinance</u>								
<u>Number</u>								
02-22)	Acquisition of Phone System, Computer System							
03-04)	including Hardware and Software, for							
03-12)	Municipal Building and Reconstruction,							
	Resurfacing and Installation of Curbing on							
	Delaware Avenue, Elton Avenue and Wilson							
	Avenue	\$ 4,115.86						\$ 4,115.86
06-13	Reconstruction & Resurfacing of Park Boulevard, Acquisition							
	of a Four-Wheel Drive Vehicle and Renovations &							
	and Improvements to the Senior/Recreation Center	(765.00)						(765.00)
07-11	Completion of Various Capital Improvements and the	8,036.45						8,036.45
	Acquisition of Various Pieces of Equipment							
08-10	Completion of Various Capital Improvements and the	59,199.35						59,199.35
	Acquisition of Various Pieces of Equipment							
11-03	Various Road Improvements to Silver Lake Drive in							
	and for the Borough of Clementon	(724.35)						(724.35)
11-09	Acquisition of Generators for the Fire Hall and Public							
	Works Building and the Resurfacing of the							
	Fire Hall Parking Lot	45,807.23						45,807.23
11-12	Completion of Various Capital Improvements and	46,460.92		\$ 3,540.68				42,920.24
	the Acquisition of Various Pieces of Equipment							
11-15	Acquisition of Office Equipment and Furniture for							
	the Police Department and Municipal Offices and							
	Various Improvements to Borough Hall	9,026.56		6,025.90				3,000.66
12-04	Resurfacing of the Fire Hall Parking lot	31,485.42						31,485.42

(Continued)

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2016

		<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		
		<u>Balance</u>		<u>Improvement</u>		<u>From</u>	<u>To</u>	<u>Balance</u>
		<u>Dec. 31, 2015</u>	<u>Miscellaneous</u>	<u>Authorizations</u>	<u>Miscellaneous</u>			<u>Dec. 31, 2016</u>
<u>Improvement Authorizations (Cont'd):</u>								
<u>Ordinance</u>								
<u>Number</u>								
12-16	Completion of Various Capital Improvements and the Acquisition of Equipment	\$ 26,250.81						\$ 26,250.81
13-11	Acquisition of Police Utility Vehicles	2,380.62						2,380.62
14-05	Completion of Various Capital Improvements and the Acquisition of Equipment	46,646.72		\$ 17,877.13				28,769.59
14-10	Completion of Various Capital Improvements and the Acquisition of Equipment	40,000.00						40,000.00
15-05	Completion of Various Capital Improvements and the Acquisition of Equipment	134,591.67		5,208.92				129,382.75
Capital Improvement Fund		31,358.50						31,358.50
Reserve for Encumbrances		6,476.36			\$ 6,476.36			
Reserve for Payment of Bonds and Loans		381,034.96				\$ 66,469.44		314,565.52
Fund Balance		256.00						256.00
Due Current Fund			\$ 1,238.84		67,708.28		\$ 66,469.44	
		<u>\$ 871,638.08</u>	<u>\$ 1,238.84</u>	<u>\$ 32,652.63</u>	<u>\$ 74,184.64</u>	<u>\$ 66,469.44</u>	<u>\$ 66,469.44</u>	<u>\$ 766,039.65</u>

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Schedule of Deferred Charges to Future Taxation - Unfunded  
As of December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Analysis of Balance Dec. 31, 2016</u>
			<u>Expenditures</u>
06-13	Reconstruction & Resurfacing of Park Boulevard, Acquisition of a Four-Wheel Drive Vehicle and Renovations & Improvements to the Senior/Recreation Center	\$ 765.00	\$ 765.00
11-05	Acquisition of Sport Utility Vehicles for the Police Department	<u>724.35</u>	<u>724.35</u>
		<u>\$ 1,489.35</u>	<u>\$ 1,489.35</u>

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 4,943,305.22
Decreased by:		
Paid by Budget Appropriation:		
NJ Environmental Trust Loan	\$ 57,856.94	
Serial Bonds	<u>368,000.00</u>	
		<u>425,856.94</u>
Balance December 31, 2016		<u><u>\$ 4,517,448.28</u></u>

## Exhibit SC-5

**GENERAL CAPITAL FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2016

---

Receipts:		
Interest Earned on Deposits	\$ 1,238.84	
Current Fund Anticipated Revenue:		
Reserve for Payment of Bonds	<u>66,469.44</u>	
		67,708.28
Decreased by:		
Disbursements:		
Interfund Loans Returned	<u>\$ 67,708.28</u>	

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date	Ordinance Amount	Dec. 31, 2015		Disbursed	Dec. 31, 2016	
				Funded	Unfunded		Funded	Unfunded
02-22) 03-04) 03-12)	Acquisition of: a) Phone System	8/27/02	\$ 25,000.00	\$ 4,115.86			\$ 4,115.86	
07-11	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	9/25/07	118,000.00	8,036.45			8,036.45	
08-10	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	4/22/08	1,579,000.00	59,199.35			59,199.35	
11-09	Acquisition of Generators for the Fire Hall and Public Works Building and the Resurfacing of the Fire Hall Parking Lot	7/05/11	294,000.00	45,807.23			45,807.23	
11-12	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	7/05/11	195,000.00	46,460.92		\$ 3,540.68	42,920.24	
11-15	Acquisition of Office Equipment and Furniture for the Police Department and Municipal Offices and Various Improvements to Borough Hall	10/04/11	51,500.00	9,026.56		6,025.90	3,000.66	
12-04	Resurfacing of the Fire Hall Parking lot	2/07/12	200,000.00	31,485.42			31,485.42	
12-16	Completion of Various Capital Improvements and the Acquisition of Equipment	10/20/12	212,500.00	26,250.81			26,250.81	
13-11	Acquisition of Police Utility Vehicles	7/2/13	70,000.00	2,380.62			2,380.62	
14-05	Completion of Various Capital Improvements and the Acquisition of Equipment	4/15/14	157,150.00	46,646.72		17,877.13	28,769.59	
14-10	Completion of Various Capital Improvements and the Acquisition of Equipment	6/17/14	40,000.00	40,000.00			40,000.00	
15-05	Completion of Various Capital Improvements and the Acquisition of Equipment	5/19/15	209,505.00	134,591.67		5,208.92	129,382.75	
				<u>\$ 454,001.61</u>	<u>\$ -</u>	<u>\$ 32,652.63</u>	<u>\$ 421,348.98</u>	<u>\$ -</u>



**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 6,476.36
Decreased by:	
Disbursed	<u>\$ 6,476.36</u>

## Exhibit SC-8

**GENERAL CAPITAL FUND**  
Statement of Reserve for Payment of Bonds and Loans  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 381,034.96
Decreased by:	
Realized as Anticipated Revenue in Current Fund	<u>66,469.44</u>
Balance December 31, 2016	<u>\$ 314,565.52</u>

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Statement of New Jersey Environmental Trust Loans Payable  
For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities Outstanding Dec. 31, 2016</u>				<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
			<u>Date</u>	<u>Trust Loan</u>	<u>Fund Loan</u>	<u>Total</u>				
Acquisition of Real Property and Property Rights	11-10-05	\$ 1,195,000.00	2-01-17		\$ 7,271.38	\$ 7,271.38				
			8-01-17	\$ 15,000.00	34,496.55	49,496.55	4.250%			
			2-01-18		6,726.88	6,726.88				
			8-01-18	20,000.00	43,027.10	63,027.10	4.250%			
			2-01-19		5,955.50	5,955.50				
			8-01-19	20,000.00	42,255.72	62,255.72	4.500%			
			2-01-20		5,184.12	5,184.12				
			8-01-20	20,000.00	41,484.34	61,484.34	4.375%			
			2-01-21		4,367.37	4,367.37				
			8-01-21	20,000.00	40,667.59	60,667.59	4.375%			
			2-01-22		3,573.30	3,573.30				
			8-01-22	20,000.00	39,873.52	59,873.52	4.375%			
			2-01-23		2,779.23	2,779.23				
			8-01-23	20,000.00	39,079.45	59,079.45	4.375%			
			2-01-24		1,985.16	1,985.16				
			8-01-24	25,000.00	47,360.44	72,360.44	4.375%			
			2-01-25		992.58	992.58				
			8-01-25	25,000.00	46,368.05	71,368.05	4.375%	<u>\$ 656,305.22</u>	<u>\$ 57,856.94</u>	<u>\$ 598,448.28</u>

**BOROUGH OF CLEMENTON**  
**GENERAL CAPITAL FUND**  
Statement of General Serial Bonds  
For the Year Ended December 31, 2016

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2016</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds - Series 2005	2-01-05	\$ 763,000.00	-	-		\$ 83,000.00	\$ 83,000.00	
General Obligation Bonds - Series 2010	10-01-10	3,524,000.00	10-01-17	\$ 250,000.00	3.00%			
			10-01-18	250,000.00	3.00%			
			10-01-19	300,000.00	3.00%			
			10-01-20	325,000.00	3.00%			
			10-01-21	349,000.00	3.00%			
			10-01-22	350,000.00	3.15%			
			10-01-23	375,000.00	3.25%			
			10-01-24	375,000.00	3.30%			
			10-01-25	425,000.00	4.00%	3,174,000.00	175,000.00	\$ 2,999,000.00
General Obligation Bonds - Series 2015	8-06-15	1,030,000.00	3-01-17	135,000.00	2.25%			
			3-01-18	135,000.00	2.25%			
			3-01-19	125,000.00	2.25%			
			3-01-20	125,000.00	2.50%			
			3-01-21	125,000.00	2.50%			
			3-01-22	135,000.00	2.50%			
			3-01-23	140,000.00	2.50%	1,030,000.00	110,000.00	920,000.00
						<u>\$ 4,287,000.00</u>	<u>\$ 368,000.00</u>	<u>\$ 3,919,000.00</u>

**BOROUGH OF CLEMENTON**  
GENERAL CAPITAL FUND  
Schedule of Bonds and Notes Authorized But Not Issued  
As of December 31, 2016

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>
06-13	Reconstruction & Resurfacing of Park Boulevard, Acquisition of a Four-Wheel Drive Vehicle and Renovations & Improvements to the Senior/Recreation Center	\$ 765.00
11-03	Acquisition of Sport Utility Vehicles for the Police Department	<u>724.35</u>
		<u><u>\$ 1,489.35</u></u>

**SUPPLEMENTAL EXHIBITS**

**WATER UTILITY FUND**

**BOROUGH OF CLEMENTON**  
**WATER UTILITY FUND**  
Statement of Water Utility Cash and Investments  
Per N.J.S.A. 40A: 5-5 - Treasurer  
For the Year Ended December 31, 2016

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2015	\$ 296,794.40	\$ 277,442.06
Increased by Receipts:		
Miscellaneous Revenues	\$ 27,302.75	
Consumer Accounts Receivable	770,126.46	
Water Liens Receivable	3,644.49	
Water Rental Overpayments	3,590.25	
Water Rental Prepayments	9,081.85	
Due Water Utility Operating Fund		\$ 367.24
Due Water Utility Capital Fund	<u>367.24</u>	
	<u>814,113.04</u>	<u>367.24</u>
	1,110,907.44	277,809.30
Decreased by Disbursements:		
2016 Appropriations	742,026.26	
2015 Appropriation Reserves	31,166.32	
Accrued Interest on Bonds and Notes	20,972.57	
Improvement Authorizations		32,755.63
Contracts Payable		5,050.00
Due Current Fund	3,114.46	
Due Water Utility Operating Fund		367.24
Due Sewer Utility Operating Fund	<u>4,042.17</u>	
	<u>801,321.78</u>	<u>38,172.87</u>
Balance December 31, 2016	<u><u>\$ 309,585.66</u></u>	<u><u>\$ 239,636.43</u></u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
**Analysis of Water Utility Capital Cash**  
**For the Year Ended December 31, 2016**

			<u>Receipts</u>	<u>Disbursements</u>		
		<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Miscellaneous</u>	<u>Improvement</u> <u>Authorizations</u>	<u>Miscellaneous</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
<u>Improvement Authorizations:</u>						
09-19	Various Water Utility Improvements	\$ 5,937.06				\$ 5,937.06
11-10	Various Water Utility Improvements	46,320.13				46,320.13
14-10	Acquisition and Installation of Various Equipment for the Water Department	225,000.00		\$ 30.88		224,969.12
15-04	Various Water Utility Improvements	(100,807.00)		32,724.75		(133,531.75)
Due Water Utility Operating Fund			\$ 367.24		\$ 367.24	
Capital Improvement Fund		81,000.25				81,000.25
Contracts Payable		6,714.84			5,050.00	1,664.84
Reserve for Payment of Bonds		12,893.44				12,893.44
Fund Balance		383.34				383.34
		<u>\$ 277,442.06</u>	<u>\$ 367.24</u>	<u>\$ 32,755.63</u>	<u>\$ 5,417.24</u>	<u>\$ 239,636.43</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
 Schedule of Change Funds  
 As of December 31, 2016

---

<u>Office</u>	<u>Amount</u>
Water Utility Clerk	\$ 75.00

---

## Exhibit SD-4

WATER UTILITY CAPITAL FUND  
 Statement of Due to Water Utility Operating Fund  
 For the Year Ended December 31, 2016

---

Receipts:	
Interest Earned on Investments	\$ 367.24
Decreased by:	
Disbursements:	
Interfund Loans Returned	\$ 367.24

---



**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
**Statement of Consumer Accounts Receivable**  
**For the Year Ended December 31, 2016**

---

Balance December 31, 2015		\$ 93,769.54
Increased by:		
2016 Rents Levied (Net)		<u>777,818.80</u>
		871,588.34
Decreased by:		
Collections	\$ 770,126.46	
Transferred to Water Utility Liens Receivable	390.52	
Prepayments Applied	5,093.56	
Overpayments Applied	<u>4,085.32</u>	
		<u>779,695.86</u>
Balance December 31, 2016		<u><u>\$ 91,892.48</u></u>

## Exhibit SD-6

**WATER UTILITY OPERATING FUND**  
**Statement of Water Utility Liens Receivable**  
**For the Year Ended December 31, 2016**

---

Balance December 31, 2015		\$ 4,796.71
Increased by:		
Interest and Costs on Tax Sale	\$ 125.86	
Transfer from Consumer Accounts Receivable	<u>390.52</u>	
		<u>516.38</u>
		5,313.09
Decreased by:		
Collected		<u>3,644.49</u>
Balance December 31, 2016		<u><u>\$ 1,668.60</u></u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Schedule of Fixed Capital  
As of December 31, 2016

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Costs of Acquiring Land	\$ 3,531.13
Land	7,445.00
Wells and Well Field Pumping	548,853.60
Hydraulic Power Structures	4,899.34
Pumping Station Structures	6,880.25
Electric Power Pumping Equipment	10,469.50
Gas Power Pumping Equipment	6,903.22
Storage Reservoir	41,863.79
Distribution Mains	305,567.66
Service	91,534.27
Meters	118,561.17
Fire Hydrants	7,791.88
General Structures	115,587.91
General Equipment	62,057.49
Booster Pumping Station	10,293.74
Automobile Equipment	12,234.88
Office Equipment	16,141.08
Backhoe Diagonal Loader	21,216.00
Trucks	38,978.00
Borough Garage Roof	16,746.87
Purchase of Computer	28,000.00
Emergency Generator for Well No. 9	264,000.00
Installation of a Water Main	56,497.60
Installation of Hydrant Valves, Roof of Sitely Ave. Pump Station; Pump Test on Well No. 10; and Replacement of Fire Hydrant and Water Meter	16,000.00
Installation of Insertion Valves, a Chlorine System and Renovation of Water Utility Building	50,000.00
Refurbishing of Well No. 9 and Purchase of Various Equipment	85,900.00
Acquisition of Various Equipment	43,000.00
Various Improvements to Water Utilities	34,000.00
Water Main Replacement of Chews Landing Road	125,000.00
Reconstruction of Well No. 10	89,925.00
Redevelopment of Well No. 10	14,075.00
Water Pipe Installation for West Atlantic Avenue	60,000.00
Replacement of Electrical System for Well No. 11	17,000.00
Replacement of Water Mains, Valves and Hydrants	532,282.45
Replacement of Motor and Generator for Well No. 9	59,465.09
Materials and Installation of New Water Mains	61,933.61
Purchase of a Backhoe, Replacement of Roofs for Well Nos. 9 & 10 Well House, and Purchase of a Trench Box	68,377.68
Refurbish Well No. 10, Improvements to Garage, and Purchase of a Dump Truck with Plow	76,241.59
Purchase of a 5-Yard Dump with Plow Package	89,232.71
Refurbish of Sitely Avenue Water Tower	201,243.02
Replacement of Water Mains Under Trenton Avenue and Brighton Avenue	178,927.24
Refurbish of Well No. 9	74,313.37
Repair Truck	52,714.95

(Continued)

**BOROUGH OF CLEMENTON**  
WATER UTILITY CAPITAL FUND  
Schedule of Fixed Capital  
As of December 31, 2016

---

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Removal of Underground Storage Tank Well #10	\$ 14,995.24
Water Vehicle - F550	28,291.00
Water Main Piping and Hydrants	51,000.56
Engineering Studies	39,173.00
Water System Improvements	14,636.18
Air Compressor	1,550.00
Garage Lift	4,875.00
Renovations to the Water Garage	29,580.82
Water Meters, Accessories and Hydrants	17,000.00
Lincoln Ave Water Main Replacement	45,000.00
	<hr/>
	<u>\$ 3,971,787.89</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Schedule of Fixed Capital Authorized and Uncompleted  
As of December 31, 2016

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2016</u>
09-19	Various Water Utility Improvements	8/11/09	\$ 34,810.00	\$ 34,810.00
11-10	Various Water Utility Improvements	7/05/11	292,000.00	292,000.00
14-10	Acquisition and Installation of Various Equipment for the Water Department	6/17/14	241,400.00	241,400.00
15-04	Various Water Utility Improvements	9/1/15	1,580,000.00	<u>1,580,000.00</u>
				<u>\$ 2,148,210.00</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2016**

---

	<u>Balance December 31, 2015</u>			<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 31,110.35	\$ 1,588.41	\$ 29,521.94
Other Expenses	\$ 32,605.05	19,032.44	29,577.91	22,059.58
Statutory Expenditures:				
Contribution to:				
Public Employees Retirement System		686.20		686.20
Social Security System (O.A.S.I.)		3,573.95		3,573.95
	<u>\$ 32,605.05</u>	<u>\$ 54,402.94</u>	<u>\$ 31,166.32</u>	<u>\$ 55,841.67</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
**Statement of Water Rental Overpayments**  
**For the Year Ended December 31, 2016**

---

Balance December 31, 2015	\$ 4,085.32
Increased by:	
Overpayments in 2016:	
Collected	<u>3,590.25</u>
	7,675.57
Decreased by:	
Applied to Consumer Accounts Receivable	<u>4,085.32</u>
Balance December 31, 2016	<u><u>\$ 3,590.25</u></u>

## Exhibit SD-11

**WATER UTILITY OPERATING FUND**  
**Statement of Water Rental Prepayments**  
**For the Year Ended December 31, 2016**

---

Balance December 31, 2015	\$ 5,093.56
Increased by:	
Collections--2017 Rents	<u>9,081.85</u>
	14,175.41
Decreased by:	
Applied to Consumer Accounts Receivable	<u>5,093.56</u>
Balance December 31, 2016	<u><u>\$ 9,081.85</u></u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2015		Disbursed	Balance Dec. 31, 2016	
				Funded	Unfunded		Funded	Unfunded
09-19	Various Water Utility Improvements	8/11/09	\$ 38,410.00	\$ 5,937.06	\$ 69.00		\$ 5,937.06	\$ 69.00
11-10	Various Water Utility Improvements	7/05/11	292,000.00	46,320.13	1,630.00		46,320.13	1,630.00
14-10	Acquisition and Installation of Various Equipment for the Water Department	6/17/14	241,400.00	225,000.00		\$ 30.88	224,969.12	
15-04	Various Water Utility Improvements	9/1/15	1,580,000.00		1,479,193.00	32,724.75		1,446,468.25
				<u>\$ 277,257.19</u>	<u>\$ 1,480,892.00</u>	<u>\$ 32,755.63</u>	<u>\$ 277,226.31</u>	<u>\$ 1,448,167.25</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2016

---

Disbursed:	
Interfund Loans Advanced	\$ 3,114.46
	<u>                    </u>
Balance December 31, 2016	\$ 3,114.46
	<u><u>                    </u></u>

## Exhibit SD-14

**WATER UTILITY CAPITAL FUND**  
Statement of Contracts Payable  
For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 6,714.84
Decreased by:	
Disbursed	5,050.00
	<u>                    </u>
Balance December 31, 2016	\$ 1,664.84
	<u><u>                    </u></u>

A detailed list of contracts payable is on file at the office of the Chief Financial Officer.



**BOROUGH OF CLEMENTON**  
**WATER UTILITY OPERATING FUND**  
Statement of Interest on Bonds and Notes and Analysis of Balance  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 8,229.28
Increased by:	
Charged to:	
Budget Appropriation:	
Interest on Bonds	19,100.74
	<u>27,330.02</u>
Decreased by:	
Disbursements	20,972.57
	<u>6,357.45</u>
Balance December 31, 2016	<u><u>\$ 6,357.45</u></u>

Analysis of Accrued Interest December 31, 2016

Principal Outstanding <u>Dec. 31, 2016</u>	Interest <u>Rate</u>	<u>From</u>	<u>To</u>	Number of <u>Days</u>	<u>Amount</u>
Serial Bonds:					
\$ 120,000.00	3.7800%	8/1/16	12/31/16	150	\$ 1,890.00
58,000.00	3.0300%	10/1/16	12/31/16	90	439.35
463,000.00	2.6100%	9/1/16	12/31/16	120	4,028.10
					<u>4,028.10</u>
					<u><u>\$ 6,357.45</u></u>

**BOROUGH OF CLEMENTON**  
WATER UTILITY CAPITAL FUND  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2016

---

Balance December 31, 2015	\$ 3,782,887.89
Increased by:	
Serial Bonds Paid by Operating Budget	<u>86,000.00</u>
Balance December 31, 2016	<u><u>\$ 3,868,887.89</u></u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Schedule of Deferred Reserve for Amortization  
As of December 31, 2016

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u>	<u>Balance</u>
			<u>Amount</u>	<u>Dec. 31, 2016</u>
09-19	Various Water Utility Improvements	8/11/09	\$ 34,810.00	\$ 1,741.00
11-10	Various Water Utility Improvements	7/05/11	14,600.00	14,600.00
14-10	Acquisition and Installation of Various Equipment for the Water Department	6/17/14	12,070.00	<u>12,070.00</u>
				<u>\$ 28,411.00</u>

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Statement of Water Utility Serial Bonds  
For the Year Ended December 31, 2016

Issue	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2016		Interest Rate	Balance Dec. 31, 2015	Paid By Budget Appropriation	Balance Dec. 31, 2016
			Date	Amount				
General Obligation Bonds - Series 2005	2-01-05	\$ 570,000.00	2-01-17	\$ 60,000.00	3.75%	\$ 175,000.00	\$ 55,000.00	\$ 120,000.00
			2-01-18	60,000.00	3.80%			
General Obligation Bonds - Series 2010	10-01-10	94,000.00	10-01-17	9,500.00	3.00%	64,000.00	6,000.00	58,000.00
			10-01-18	9,500.00	3.00%			
			10-01-19	9,500.00	3.00%			
			10-01-20	9,500.00	3.00%			
			10-01-21	10,000.00	3.00%			
			10-01-22	10,000.00	3.15%			
			General Obligation Bonds - Series 2015	8-06-15	488,000.00			
3-01-18	30,000.00	2.25%						
3-01-19	35,000.00	2.25%						
3-01-20	40,000.00	2.50%						
3-01-21	45,000.00	2.50%						
3-01-22	45,000.00	2.50%						
3-01-23	46,000.00	2.50%						
3-01-24	47,000.00	3.00%						
3-01-25	50,000.00	3.00%						
3-01-26	50,000.00	3.00%						
3-01-27	50,000.00	3.00%						
						488,000.00	25,000.00	463,000.00
					\$ 727,000.00	\$ 86,000.00	\$ 641,000.00	

**BOROUGH OF CLEMENTON**  
**WATER UTILITY CAPITAL FUND**  
Schedule of Bonds and Notes Authorized But Not Issued  
As of December 31, 2016

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2016</u>
09-19	Various Water Utility Improvements	8/11/09	\$ 69.00
11-10	Various Water Utility Improvements	7/5/11	1,630.00
15-04	Various Water Utility Improvements	9/1/15	<u>1,580,000.00</u>
			<u><u>\$ 1,581,699.00</u></u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash and Investments  
Per N.J.S.A. 40A: 5-5 - Treasurer  
For the Year Ended December 31, 2016

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2015	\$ 332,219.69	\$ 502,367.36
Increased by Receipts:		
Miscellaneous Revenues	\$ 16,527.56	
Consumer Accounts Receivable	575,327.49	
Sewer Liens Receivable	2,671.28	
Sewer Rental Overpayments	2,744.32	
Sewer Rental Prepayments	30,318.77	
Due Sewer Utility Operating Fund		\$ 748.38
Due Sewer Utility Capital Fund	6,048.38	
Due Water Utility Operating Fund	4,042.17	
	<u>637,679.97</u>	<u>748.38</u>
	969,899.66	503,115.74
Decreased by Disbursements:		
2016 Appropriations	561,340.62	
2015 Appropriation Reserves	14,858.50	
Accrued Interest on Bonds and Notes	24,755.56	
Due Sewer Utility Operating Fund		6,048.38
Improvement Authorizations		4,112.88
Due to Current Fund	42,933.54	
	<u>643,888.22</u>	<u>10,161.26</u>
Balance December 31, 2016	<u><u>\$ 326,011.44</u></u>	<u><u>\$ 492,954.48</u></u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Utility Capital Cash  
 For the Year Ended December 31, 2016

		Receipts	Disbursements		Transfers			
		Balance Dec. 31, 2015	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	Balance Dec. 31, 2016
<u>Improvement Authorizations:</u>								
11-11	Various Sewer Utility Improvements and the Acquisition of Equipment	\$ 104,974.26					\$ 5,300.00	\$ 110,274.26
14-10	Acquisition and Installation of Various Equipment for the Sewer Department	343,231.74		\$ 4,112.88				339,118.86
Due Sewer Utility Operating Fund			\$ 748.38		\$ 6,048.38		5,300.00	
Contracts Payable		5,300.00				\$ 5,300.00		
Reserve for Payment of Bonds		10,599.21				5,300.00		5,299.21
Capital Improvement Fund		37,250.00						37,250.00
Fund Balance		<u>1,012.15</u>						<u>1,012.15</u>
		<u>\$ 502,367.36</u>	<u>\$ 748.38</u>	<u>\$ 4,112.88</u>	<u>\$ 6,048.38</u>	<u>\$ 10,600.00</u>	<u>\$ 10,600.00</u>	<u>\$ 492,954.48</u>



**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
 Schedule of Change Funds  
 As of December 31, 2016

---

<u>Office</u>	<u>Amount</u>
Sewer Utility Clerk	\$ 75.00

## Exhibit SE-4

SEWER UTILITY OPERATING FUND  
 Statement of Due from Current Fund  
 For the Year Ended December 31, 2016

---

Disbursed:	
Interfund Loans Advanced	\$ 42,933.54
Decreased by:	
Current Fund Anticipated Revenue:	
Fund Balance	40,000.00
	<hr/>
Balance December 31, 2016	\$ 2,933.54

**BOROUGH OF CLEMENTON**  
SEWER UTILITY OPERATING FUND  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 55,873.76
Increased by:		
2016 Sewer Service Charges (Net)		<u>602,057.42</u>
		657,931.18
Decreased by:		
Collections	\$ 575,327.49	
Transferred to Sewer Utility Liens Receivable	990.04	
Prepayments Applied	25,593.64	
Overpayments Applied	<u>580.87</u>	
		<u>602,492.04</u>
Balance December 31, 2016		<u><u>\$ 55,439.14</u></u>

**BOROUGH OF CLEMENTON**  
SEWER UTILITY OPERATING FUND  
Statement of Sewer Utility Liens Receivable  
For the Year Ended December 31, 2016

---

Balance December 31, 2015		\$ 3,901.07
Increased by:		
Interest and Costs on Tax Sale	\$ 189.24	
Transfer from Consumer Accounts Receivable	<u>990.04</u>	
		<u>1,179.28</u>
		5,080.35
Decreased by:		
Collected		<u>2,671.28</u>
Balance December 31, 2016		<u><u>\$ 2,409.07</u></u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Due to Sewer Operating Fund  
For the Year Ended December 31, 2016

---

Receipts:	
Interest Earned on Deposits	\$ 748.38
Sewer Utility Operating Fund Anticipated Revenue:	
Reserve for Payment of Bonds	5,300.00
	<u>6,048.38</u>
Decreased by:	
Interfund Loan Returned	<u>\$ 6,048.38</u>

## Exhibit SE-8

SEWER UTILITY OPERATING FUND  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2016

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	<u>Balance December 31, 2015</u>			<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 19,913.99	\$ 1,588.41	\$ 18,325.58
Other Expenses	\$ 13,355.12	5,139.67	13,270.09	5,224.70
Statutory Expenditures:				
Contribution to:				
Public Employees Retirement System		617.58		617.58
Social Security System (O.A.S.I.)		4,832.73		4,832.73
	<u>\$ 13,355.12</u>	<u>\$ 30,503.97</u>	<u>\$ 14,858.50</u>	<u>\$ 29,000.59</u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Fixed Capital  
As of December 31, 2016

---

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Property, Equipment and Other Facilities Acquired and Constructed Under Clementon Sewerage Authority Bond Resolution Dated March 1, 1961	\$ 1,390,712.28
Property, Equipment and Other Facilities Acquired and Constructed Under Clementon Sewerage Authority Bond Resolution Dated September 1, 1985	825,000.00
Garfield Avenue Main Replacement	180,763.03
Pump Station Rehabilitations	307,639.59
Grand Expansion	136,734.64
Yard Grading and Paving Project	22,000.00
Wallace Avenue Main Replacement	95,600.82
Park Avenue and Erial Road Pump Station Upgrades and Sanitary Sewer Replacements	48,383.00
Refurbish Park Avenue Pump Station	218,147.26
Repair Sewer Mains	12,872.08
Emergency Bypass Pump	31,505.00
Site Emergency Generator	31,723.09
Evanson Avenue Pump Station	264,792.41
Renovations to Sewer Garage	30,578.80
Sewer Plow Truck	37,779.58
Four Wheel Drive Vehicle	18,500.00
	<hr/>
	<u>\$ 3,652,731.58</u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Fixed Capital Authorized and Uncompleted  
As of December 31, 2016

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2016</u>
11-11	Various Sewer Utility Improvements and the Acquisition of Equipment	7/05/11	\$ 561,000.00	\$ 561,000.00
14-10	Acquisition and Installation of Various Equipment for the Sewer Department	6/17/14	363,000.00	<u>363,000.00</u>
				<u>\$ 924,000.00</u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Rental Overpayments**  
**For the Year Ended December 31, 2016**

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Balance December 31, 2015	\$ 580.87
Increased by:	
Overpayments in 2016	<u>2,744.32</u>
	3,325.19
Decreased by:	
Applied to Consumer Accounts Receivable	<u>580.87</u>
Balance December 31, 2016	<u><u>\$ 2,744.32</u></u>

## Exhibit SE-12

**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Rental Prepayments**  
**For the Year Ended December 31, 2016**

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Balance December 31, 2015	\$ 25,593.64
Increased by:	
Collections--2017 Rents	<u>30,318.77</u>
	55,912.41
Decreased by:	
Applied to Consumer Accounts Receivable	<u>25,593.64</u>
Balance December 31, 2016	<u><u>\$ 30,318.77</u></u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2015		Disbursed	Contracts Payable Canceled	Balance Dec. 31, 2016	
				Funded	Unfunded			Funded	Unfunded
11-11	Various Sewer Utility Improvements and the Acquisition of Equipment	7/05/11	\$ 561,000.00	\$ 104,974.26	\$ 984.09		\$ 5,300.00	\$ 110,274.26	\$ 984.09
14-10	Acquisition and Installation of Various Equipment for the Sewer Department	6/17/14	363,000.00	343,231.74		\$ 4,112.88		339,118.86	
				<u>\$ 448,206.00</u>	<u>\$ 984.09</u>	<u>\$ 4,112.88</u>	<u>\$ 5,300.00</u>	<u>\$ 449,393.12</u>	<u>\$ 984.09</u>



**BOROUGH OF CLEMENTON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Interest on Bonds and Notes and Analysis of Balance  
For the Year Ended December 31, 2016

Balance December 31, 2015	\$ 9,183.88
Increased by:	
Charged to:	
Budget Appropriation:	
Interest on Bonds	22,859.58
	32,043.46
Decreased by:	
Disbursements	24,755.56
Balance December 31, 2016	<u>\$ 7,287.90</u>

Analysis of Accrued Interest December 31, 2016

<u>Principal Outstanding Dec. 31, 2016</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Number of Days</u>	<u>Amount</u>
Serial Bonds:					
\$ 12,000.00	3.7500%	8/01/16	12/31/16	150	\$ 187.50
28,000.00	3.0000%	10/01/16	12/31/16	90	210.00
792,000.00	2.6100%	9/1/16	12/31/16	120	6,890.40
					<u>\$ 7,287.90</u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Deferred Reserve for Amortization  
As of December 31, 2016

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2016</u>
11-11	Various Sewer Utility Improvements and the Acquisition of Equipment	7/05/11	\$ 28,050.00	\$ 28,050.00
14-10	Acquisition and Installation of Various Equipment for the Sewer Department	6/17/14	18,150.00	<u>18,150.00</u>
				<u><u>\$ 46,200.00</u></u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 3,636,547.49
Increased by:	
Serial Bonds Paid by Operating Budget	<u>61,000.00</u>
Balance December 31, 2015	<u><u>\$ 3,697,547.49</u></u>

## Exhibit SE-17

SEWER UTILITY CAPITAL FUND  
Statement of Contracts Payable  
For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 5,300.00
Decreased by:	
Canceled	<u><u>\$ 5,300.00</u></u>

## Exhibit SE-18

SEWER UTILITY CAPITAL FUND  
Statement of Reserve for Payment of Bonds  
For the Year Ended December 31, 2016

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Balance December 31, 2015	\$ 10,599.21
Decreased by:	
Realized as Revenue in Sewer Utility Operating Fund	<u>5,300.00</u>
Balance December 31, 2016	<u><u>\$ 5,299.21</u></u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Utility Serial Bonds  
For the Year Ended December 31, 2016

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2016</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds - Series 2005	2-01-05	\$ 106,000.00	2-01-17	\$ 12,000.00	3.75%	\$ 24,000.00	\$ 12,000.00	\$ 12,000.00
General Obligation Bonds - Series 2010	10-01-10	52,000.00	10-01-17	5,500.00	3.00%			
			10-01-18	5,500.00	3.00%			
			10-01-19	5,500.00	3.00%			
			10-01-20	5,500.00	3.00%			
			10-01-21	6,000.00	3.00%	32,000.00	4,000.00	28,000.00
General Obligation Bonds - Series 2015	8-06-15	837,000.00	3-01-17	45,000.00	2.25%			
			3-01-18	55,000.00	2.25%			
			3-01-19	60,000.00	2.25%			
			3-01-20	60,000.00	2.50%			
			3-01-21	70,000.00	2.50%			
			3-01-22	75,000.00	2.50%			
			3-01-23	79,000.00	2.50%			
			3-01-24	83,000.00	3.00%			
			3-01-25	85,000.00	3.00%			
			3-01-26	90,000.00	3.00%			
			3-01-27	90,000.00	3.00%	837,000.00	45,000.00	792,000.00
						<u>\$ 893,000.00</u>	<u>\$ 61,000.00</u>	<u>\$ 832,000.00</u>

**BOROUGH OF CLEMENTON**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Bonds and Notes Authorized But Not Issued  
As of December 31, 2016

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>
11-11	Various Sewer Utility Improvements and the Acquisition of Equipment	<u>\$ 984.09</u>

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

**BOROUGH OF CLEMENTON**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2016

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***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 CLEMENTON**  
Summary Schedule of Prior Year Audit Findings  
and Recommendations as Prepared by Management

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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 CLEMENTON**  
**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Thomas Weaver	Mayor	
Christine Nucera	Council President	
Jonathan Fisher	Councilman	
Mark E. Armbruster	Councilman	
Carol Andrews	Councilwoman	
Meghan Milano	Councilwoman	
Gordon Shaeffer	Councilman to October 11, 2016	
Thomas Shaw	Councilman from October 11, 2016	
Nicholas Tocco	Chief Financial Officer	\$1,000,000.00 (A)
Joann Watson	Tax Collector	1,000,000.00 (C)
Joann DiBattista	Water/Sewer Clerk	1,000,000.00 (A)
Margaret Giordano	Clerk	1,000,000.00 (A)
Jenai Johnson	Borough Clerk, Dog License Clerk, Registrar of Vital Statistics, Borough Administrator, Municipal Search Officer	1,000,000.00 (A)
Margie Pierce	Clerk/Deputy Registrar	1,000,000.00 (A)
Warren Richards	Housing Inspector	1,000,000.00 (A)
Adrianne Guernon	Deputy Borough Clerk	1,000,000.00 (A)
George Singley	Municipal Magistrate	1,000,000.00 (B)
Donna Carns	Court Administrator	1,000,000.00 (B)
Kathleen Buchhofer	Deputy Court Administrator, Construction Clerk	1,000,000.00 (A)
Charles Warrington	Assessor	1,000,000.00 (A)
George Botcheos	Solicitor	

(A) Covered by the Public Employee Dishonesty Coverage in the amount of \$50,000 written by the Camden County Municipal Joint Insurance Fund and the Excess Public Employee Dishonesty Coverage in the amount of \$950,000 written by the Municipal Excess Liability Joint Insurance Fund.

(B) Covered by the Excess Public Officials Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

(C) Covered by the Primary Statutory Positions Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

All of the Bonds were examined and properly executed.

**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 dark ink, appearing to read "Todd R. Saler". The signature is fluid and cursive, with the first name "Todd" and last name "Saler" clearly distinguishable.

Todd R. Saler  
Certified Public Accountant  
Registered Municipal Accountant

