

**BOROUGH OF WENONAH
COUNTY OF GLOUCESTER**

REPORT OF AUDIT

FOR THE YEAR 2017

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BOROUGH OF WENONAH

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Wenonah
Wenonah, New Jersey 08090

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 Wenonah, in the County of Gloucester, State of New Jersey, as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

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

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Other Information

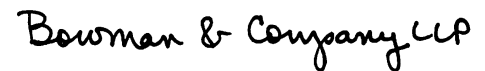
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2018 on our consideration of the Borough of Wenonah, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Wenonah's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Wenonah's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 14, 2018

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Wenonah
Wenonah, New Jersey 08090

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 Wenonah, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 14, 2018. That report indicated that the Borough of Wenonah'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 Wenonah'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 Wenonah's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Wenonah'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.

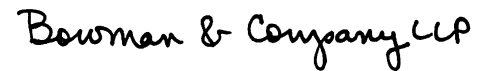
Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 14, 2018

BOROUGH OF WENONAH**CURRENT FUND**

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

As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Regular Fund:			
Cash--Chief Financial Officer	SA-1	\$ 3,255,291.39	\$ 2,525,758.95
Change Funds	SA-2	100.00	100.00
		<u>3,255,391.39</u>	<u>2,525,858.95</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	77,872.45	112,489.36
Property Acquired for Taxes--Assessed Valuation	A	162,500.00	162,500.00
Revenue Accounts Receivable	SA-4		816.47
Due from Trust -- Other Fund	SB-5	202.20	67.97
		<u>240,574.65</u>	<u>275,873.80</u>
		<u>3,495,966.04</u>	<u>2,801,732.75</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-17	7,321.24	5,141.96
State Grants Receivable	SA-14	15,456.03	15,711.10
		<u>22,777.27</u>	<u>20,853.06</u>
		<u>\$ 3,518,743.31</u>	<u>\$ 2,822,585.81</u>

(Continued)

BOROUGH OF WENONAH**CURRENT FUND**

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

As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3;SA-5	\$ 207,424.97	\$ 162,870.26
Reserve for Encumbrances	A-3;SA-5	31,793.58	56,640.65
Prepaid Taxes	SA-6	627,013.32	65,128.44
Tax Overpayments	SA-7	4,226.47	3,853.07
Due to State of New Jersey for Veterans' and Senior Citizens' Deductions	SA-8	2,536.25	3,229.13
Due County for Added and Omitted Taxes	SA-10	4,536.97	1,471.11
Regional High School Tax Payable	SA-11	1,262,287.78	1,194,118.24
Local School Tax Payable	SA-12	1.02	0.52
Due to Federal and State Grant Fund	SA-17	7,321.24	5,141.96
		<hr/>	
		2,147,141.60	1,492,453.38
Reserve for Receivables and Other Assets	A	240,574.65	275,873.80
Fund Balance	A-1	1,108,249.79	1,033,405.57
		<hr/>	
		3,495,966.04	2,801,732.75
Federal and State Grant Fund:			
Reserve for Federal, State and Local Grants--Unappropriated	SA-15	9,449.91	3,775.00
Reserve for Encumbrances	SA-18	100.00	771.22
Reserve for Federal, State and Local Grants--Appropriated	SA-16	13,227.36	16,306.84
		<hr/>	
		22,777.27	20,853.06
		<hr/>	
		\$ 3,518,743.31	\$ 2,822,585.81
		<hr/> <hr/>	

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

BOROUGH OF WENONAH
CURRENT FUND

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

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 394,000.00	\$ 331,000.00
Miscellaneous Revenue Anticipated	454,721.17	451,491.70
Receipts from Delinquent Taxes	112,489.36	80,111.87
Receipts from Current Taxes	8,988,151.83	8,814,022.21
Non-Budget Revenues	74,095.68	45,946.96
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	139,440.07	176,770.31
Liquidation of:		
Reserve for Due from Trust - Other Fund		118.98
	<hr/>	<hr/>
Total Revenue and Other Income Realized	10,162,898.11	9,899,462.03
<u>Expenditures</u>		
Operations Within "CAPS":		
Salaries and Wages	780,455.00	757,846.00
Other Expenses	864,022.00	859,663.00
Deferred Charges and Statutory Expenditures Within "CAPS"	202,253.00	187,649.00
Operations Excluded from "CAPS":		
Salaries and Wages	30,000.00	30,000.00
Other Expenses	295,194.18	312,548.61
Capital Improvements Excluded from "CAPS"	33,000.00	45,000.00
Municipal Debt Service Excluded from "CAPS"	172,288.83	137,582.57
County Taxes	1,493,612.68	1,520,141.21
Due County for Added and Omitted Taxes	4,536.97	1,471.11
Local District School Taxes	2,817,271.00	2,765,447.00
Regional High School Tax	3,001,286.00	2,864,947.00
Prior Year Senior Citizens' Deductions Disallowed by Tax Collector		750.00
Reserve for Due from Trust - Other Fund	134.23	
	<hr/>	<hr/>
Total Expenditures	9,694,053.89	9,483,045.50
Statutory Excess to Fund Balance	468,844.22	416,416.53
Fund Balance January 1	1,033,405.57	947,989.04
	<hr/>	<hr/>
	1,502,249.79	1,364,405.57
Decreased by:		
Utilized as Revenue	394,000.00	331,000.00
	<hr/>	<hr/>
Fund Balance December 31	\$ 1,108,249.79	\$ 1,033,405.57

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

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

	Anticipated <u>Budget</u>	N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 394,000.00		\$ 394,000.00	
Miscellaneous Revenue:				
Fines and Costs:				
Municipal Court	16,000.00		15,682.18	\$ (317.82)
Interest and Cost on Taxes	16,200.00		23,403.32	7,203.32
Interest on Investments and Deposits	10,000.00		12,563.21	2,563.21
Lake Fees and Rentals	19,000.00		17,000.20	(1,999.80)
Consolidated Municipal Property Tax Relief Aid	9,833.00		9,833.00	
Energy Receipts Tax	150,119.00		150,119.00	
Uniform Construction Code Fees	32,000.00		39,139.35	7,139.35
Public and Private Revenues Offset With Appropriations:				
Clean Communities Program		\$ 5,922.94	5,922.94	
Municipal Alliance on Alcoholism and Drug Abuse	10,011.00		10,011.00	
Safe and Secure Communities Program	30,000.00		30,000.00	
TRICO JIF Safety Program	1,500.00		1,500.00	
State Recycling Program	1,981.60		1,981.60	
JIF Safety Incentive Program	2,275.00		2,275.00	
Other Special Items:				
Reserve for Payment of Notes	4,339.10		4,339.10	
Lease Agreements	75,000.00		130,951.27	55,951.27
Total Miscellaneous Revenues	378,258.70	5,922.94	454,721.17	70,539.53
Receipts from Delinquent Taxes	90,000.00		112,489.36	22,489.36
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	1,710,804.04		1,870,906.68	160,102.64
Minimum Library Tax	74,600.64		74,600.64	
	1,785,404.68		1,945,507.32	160,102.64
Budget Totals	2,647,663.38	5,922.94	2,906,717.85	253,131.53
Non-Budget Revenues			74,095.68	74,095.68
	\$ 2,647,663.38	\$ 5,922.94	\$ 2,980,813.53	\$ 327,227.21

(Continued)

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

Analysis of Realized Revenues

Allocations of Current Tax Collections:

Revenue from Collections		\$ 8,988,151.83
Allocated to:		
County Taxes	\$ 1,493,612.68	
Due County for Added and Omitted Taxes	4,536.97	
Minimum Library Tax	74,600.64	
Regional High School Taxes	3,001,286.00	
Local School District Taxes	<u>2,817,271.00</u>	
		<u>7,391,307.29</u>
Balance for Support of Municipal Budget Appropriations		1,596,844.54
Add: Appropriation "Reserve for Uncollected Taxes"		<u>274,062.14</u>
Amount for Support of Municipal Budget Appropriations		<u><u>\$ 1,870,906.68</u></u>
Receipts from Delinquent Taxes		<u><u>\$ 112,489.36</u></u>
Interest on Investments:		
Treasurer		\$ 12,428.98
Trust - TTL Redemption		0.57
Trust - Other Fund		<u>133.66</u>
		<u><u>\$ 12,563.21</u></u>

(Continued)

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

Analysis of Non-Budget Revenues

Revenue Accounts Receivable:

Clerk:

Street Opening Permits	\$ 1,390.00	
Municipal Court - Forfeited Bail	50.00	
Police Department	208.05	
Smoke Detector Certificate Fees	1,300.00	
Abandoned Property Registration Fees	9,950.00	
Zoning Lists	10.00	
Trash Cans	325.00	
Grading Plans	800.00	
Planning Board Fees	300.00	
Cable Television Franchise Fees	<u>10,051.70</u>	
		\$ 24,384.75

Cash Receipts:

Registrar Fees	420.00	
Use of Facilities	300.00	
Administrative Costs for Senior Citizens and Veterans	446.14	
Donations	731.50	
Recycling	934.52	
Copies	1.50	
Dog License Fund Statutory Excess	728.97	
Health Insurance Dividend	36,242.00	
Refunds of Prior Year Expenditures	<u>9,906.30</u>	
		<u>49,710.93</u>
		<u>\$ 74,095.68</u>

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

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserve For Encumbrances	Reserved	
OPERATIONS--WITHIN "CAPS"						
General Government						
Administrative and Executive						
Other Expenses:						
Printing and Legal Advertising	\$ 3,500.00	\$ 5,500.00	\$ 3,533.15	\$ 296.65	\$ 1,670.20	
Codification of Borough Ordinances	2,500.00	5,500.00	1,410.40		4,089.60	
Miscellaneous Other Expenses	19,950.00	19,950.00	14,117.98	60.00	5,772.02	
Elections						
Other Expenses	2,000.00	2,000.00	2,000.00			
Financial Administration						
Salaries and Wages	66,800.00	67,800.00	64,771.65		3,028.35	
Other Expenses	25,967.00	25,967.00	20,903.08	928.50	4,135.42	
Annual Audit	14,375.00	14,375.00	14,375.00			
Collection of Taxes						
Salaries and Wages	11,445.00	11,445.00	11,444.40		0.60	
Other Expenses	4,800.00	4,800.00	3,743.81		1,056.19	
Legal Services and Costs						
Other Expenses	63,000.00	63,000.00	32,529.32	800.00	29,670.68	
Engineering Services and Costs						
Other Expenses	25,000.00	25,000.00	25,000.00			
Public Building and Grounds						
Other Expenses	30,130.00	30,130.00	20,740.36	875.51	8,514.13	
Heating Oil/Gas	13,000.00	13,000.00	8,771.63	1,576.64	2,651.73	
Telephone	19,000.00	19,000.00	17,574.91	289.71	1,135.38	
Electricity	32,000.00	32,000.00	23,538.99	2,317.32	6,143.69	
Municipal Land Use Law (N.J.S.40:55D-1)						
Planning Board						
Salaries and Wages	1,530.00	1,530.00	1,530.00			
Other Expenses	8,150.00	8,150.00	6,621.07		1,528.93	
Human Services						
Other Expenses	500.00	500.00	426.13		73.87	

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserve For Encumbrances	Reserved	
OPERATIONS--WITHIN "CAPS" (CONT'D)						
<u>General Government (Cont'd)</u>						
Shade Tree						
Other Expenses	\$ 12,400.00	\$ 12,400.00	\$ 11,150.51	\$ 1,249.49		
Environmental Commission (N.J.S.A. 40:56A-1, et seq.)						
Other Expenses	6,500.00	6,500.00	4,933.86	1,566.14		
Insurance						
Group Insurance Plan for Employees	202,000.00	202,000.00	188,009.02		\$ 13,990.98	
Health Benefit Waivers	11,000.00	11,000.00	11,000.00			
Liability Insurance	70,000.00	70,000.00	70,000.00			
Workers Compensation Insurance	30,000.00	30,000.00	30,000.00			
Temporary Disability Insurance	700.00	700.00			700.00	
<u>Public Safety</u>						
Fire						
Other Expenses	35,000.00	35,000.00	34,862.74		137.26	
Fire Prevention						
Salaries and Wages	2,680.00	2,680.00	2,650.00		30.00	
Aid to Volunteer Fire Company	1,500.00	1,500.00			1,500.00	
Police						
Salaries and Wages	550,000.00	557,000.00	532,956.31		24,043.69	
Other Expenses	49,150.00	42,150.00	34,651.24	2,293.99	5,204.77	
Emergency Management Services						
Other Expenses	700.00	700.00			700.00	
<u>Streets and Roads</u>						
Road Repairs and Maintenance						
Salaries and Wages	106,000.00	109,000.00	102,456.38		6,543.62	
Other Expenses	39,700.00	39,700.00	23,614.64	281.00	15,804.36	
Gasoline	30,000.00	30,000.00	12,502.41	4,200.00	13,297.59	
Garbage and Trash						
Other Expenses	6,000.00	6,000.00	2,373.41	348.77	3,277.82	
Street Lighting						
Other Expenses	32,000.00	32,000.00	25,772.92	1,946.97	4,280.11	
<u>Health and Welfare</u>						
Sanitary Landfill						
Other Expenses	68,000.00	68,000.00	55,281.53	4,806.89	7,911.58	

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserve For Encumbrances	Reserved	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Recreation and Education</u>						
Operation of Lake						
Salaries and Wages	\$ 38,000.00	\$ 31,000.00	\$ 30,990.43		\$ 9.57	
Other Expenses	9,000.00	7,000.00	6,811.40		188.60	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	500.00	500.00			500.00	
Total Operations--Within "CAPS"	1,644,477.00	1,644,477.00	1,453,048.68	\$ 23,837.58	167,590.74	\$ -
Detail:						
Salaries and Wages	776,455.00	780,455.00	746,799.17	-	33,655.83	-
Other Expenses (Including Contingent)	868,022.00	864,022.00	706,249.51	23,837.58	133,934.91	-
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Social Security System	65,000.00	65,000.00	58,649.70		6,350.30	
Unemployment Compensation Insurance	5,000.00	5,000.00	5,000.00			
PERS Contribution	39,116.00	39,116.00	39,116.00			
PFRS Contribution	93,137.00	93,137.00	93,137.00			
Total Deferred Charges and Statutory Expenditures						
Municipal--Within "CAPS"	202,253.00	202,253.00	195,902.70	-	6,350.30	-
Total General Appropriations for Municipal Purposes--Within "CAPS"	1,846,730.00	1,846,730.00	1,648,951.38	23,837.58	173,941.04	-
<u>OPERATIONS--EXCLUDED FROM "CAPS"</u>						
<u>Mandated Expenditures per N.J.S. 40A:4-45. 3g--Excluded from "CAPS"</u>						
Maintenance of Free Public Library	74,600.64	74,600.64	69,799.19		4,801.45	
Length of Service Award Program (LOSAP)	15,000.00	15,000.00			15,000.00	
Interlocal Service Agreement for Code Enforcement Services with the Mantua Township	42,000.00	42,000.00	41,936.10		63.90	
Interlocal Service Agreement for Municipal Court Services with the Mantua Township	40,000.00	40,000.00	29,250.00		10,750.00	
Interlocal Service Agreement for Garbage & Trash Services with the Logan Township	97,400.00	97,400.00	87,516.00	7,956.00	1,928.00	
Recycling Tax	2,000.00	2,000.00	1,059.42		940.58	

(Continued)

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

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Reserve For Encumbrances	Reserved	
<u>OPERATIONS--EXCLUDED FROM "CAPS" (CONT'D)</u>						
<u>Mandated Expenditures per N.J.S. 40A:4-45. 3g--Excluded from "CAPS"</u>						
Public and Private Programs Offset by Revenues:						
Safe and Secure Neighborhoods Program	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
Clean Communities Act (NJS 40A:4-87, \$5,922.94)		5,922.94	5,922.94			
Municipal Drug Alliance -- Drug Abuse Program	12,514.00	12,514.00	12,514.00			
State Recycling Program	1,981.60	1,981.60	1,981.60			
TRICO JIF Safety Award	1,500.00	1,500.00	1,500.00			
JIF Safety Incentive Program	2,275.00	2,275.00	2,275.00			
Total Operations--Excluded from "CAPS"	319,271.24	325,194.18	283,754.25	\$ 7,956.00	\$ 33,483.93	-
Detail:						
Salaries and Wages	30,000.00	30,000.00	30,000.00	-	-	-
Other Expenses (Including Contingent)	289,271.24	295,194.18	253,754.25	7,956.00	33,483.93	-
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	33,000.00	33,000.00	33,000.00			
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Anticipation Notes and Capital Notes	158,600.00	158,600.00	158,580.00			\$ 20.00
Interest on Notes	16,000.00	16,000.00	13,708.83			2,291.17
Total Municipal Debt Service--Excluded from "CAPS"	174,600.00	174,600.00	172,288.83	-	-	2,311.17
Total General Appropriations--Excluded from "CAPS"	526,871.24	532,794.18	489,043.08	7,956.00	33,483.93	2,311.17
Subtotal General Appropriations	2,373,601.24	2,379,524.18	2,137,994.46	31,793.58	207,424.97	2,311.17
Reserve for Uncollected Taxes	274,062.14	274,062.14	274,062.14			
	\$ 2,647,663.38	\$ 2,653,586.32	\$ 2,412,056.60	\$ 31,793.58	\$ 207,424.97	\$ 2,311.17
Appropriation by N.J.S.A. 40A:4-87		\$ 5,922.94				
Original Budget		2,647,663.38				
		<u>\$ 2,653,586.32</u>				
Reserve for Federal and State Grants -- Appropriated			\$ 54,193.54			
Reserve for Uncollected Taxes Disbursed			274,062.14			
			<u>2,083,800.92</u>			
			<u>\$ 2,412,056.60</u>			

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

BOROUGH OF WENONAH
TRUST OTHER FUND

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Animal Control Fund:			
Cash--Chief Financial Officer	SB-1	\$ 6,542.40	\$ 7,295.88
Other Funds:			
Cash--Chief Financial Officer	SB-1	154,730.98	131,278.27
Investment - Length of Service Awards Program	SB-2	302,396.22	250,593.10
		457,127.20	381,871.37
		\$ 463,669.60	\$ 389,167.25
 <u>LIABILITIES, RESERVES, AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-3	\$ 6,542.40	\$ 7,295.88
		6,542.40	7,295.88
Other Funds:			
Due to Current Fund	SB-5	202.20	67.97
Payroll Deductions Payable	SB-6	29,143.05	28,267.75
Due to State - Marriage License Fees	SB-7	100.00	100.00
Reserve for:			
Developers Escrow	SB-8	26,057.59	25,582.59
Unemployment Compensation	SB-9	40,036.26	37,197.52
Parking Offenses Adjudication Act	SB-10	104.00	96.00
Police Outside Detail	SB-11	5,442.50	7,790.00
Municipal Alliance - Program Income	B	122.05	122.05
Reserve for Wenonah's Thumb's Up	SB-12	1,879.24	3,367.17
Reserve for COAH Trust Fund	SB-13	14,244.09	14,187.22
Reserve for Tax Sale Premium	SB-14	37,400.00	14,500.00
Reserve for Length of Service Awards Program	SB-16	302,396.22	250,593.10
		457,127.20	381,871.37
		\$ 463,669.60	\$ 389,167.25

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

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Cash -- Treasurer	SC-1 & SC-2	\$ 1,073,991.10	\$ 101,875.16
Grants Receivable	SC-3	1,250,000.00	900,000.00
Deferred Charges to Future Taxation:			
Unfunded	SC-4	2,465,500.00	998,580.00
 Total Assets		<u>\$ 4,789,491.10</u>	<u>\$ 2,000,455.16</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes	SC-9	\$ 1,676,500.00	\$ 590,080.00
Improvement Authorizations:			
Funded	SC-5	352,715.65	842,373.65
Unfunded	SC-5	678,888.16	467,185.72
Contracts Payable	SC-6	1,143,424.48	68,610.45
Capital Improvement Fund	SC-7	19,866.24	27,866.24
Reserve for Payment of Notes	SC-8	18,096.57	4,339.10
Reserve for Grants Receivable	SC-2	900,000.00	
 Total Liabilities, Reserves and Fund Balance		<u>\$ 4,789,491.10</u>	<u>\$ 2,000,455.16</u>

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

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Statements of Assets, Liabilities, Reserves
and Fund Balances - Regulatory Basis
As of December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Operating Fund:			
Cash--Chief Financial Officer	SD-1	\$ 335,062.10	\$ 348,808.32
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-3	2,957.52	7,461.37
Total Operating Fund		338,019.62	356,269.69
Capital Fund:			
Cash--Chief Financial Officer	SD-1 & SD-2	200,285.82	443,037.84
Fixed Capital	D	4,111,499.70	4,111,499.70
Fixed Capital - Authorized & Uncompleted	D	1,175,000.00	1,175,000.00
		5,486,785.52	5,729,537.54
		\$ 5,824,805.14	\$ 6,085,807.23
<u>LIABILITIES, RESERVES, AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-3 & SD-4	\$ 27,251.11	\$ 15,683.36
Reserve for Encumbrances	D-3 & SD-4	27,065.17	33,446.22
Prepaid Rents	SD-5	48.48	170.72
Accrued Interest On Notes	SD-6	963.05	7,310.57
		55,327.81	56,610.87
Reserve for Receivables	D	2,957.52	7,461.37
Fund Balance	D-1	279,734.29	292,197.45
Total Operating Fund		338,019.62	356,269.69
Capital Fund:			
Bond Anticipation Notes Payable	SD-10	1,206,750.00	1,370,375.00
Improvement Authorizations:			
Unfunded	SD-7	182,781.57	286,193.68
Contracts Payable	SD-8	17,504.25	139,339.91
Capital Improvement Fund	D	17,504.25	17,504.25
Reserve for Amortization	SD-9	4,079,749.70	3,916,124.70
		5,486,785.52	5,729,537.54
		\$ 5,824,805.14	\$ 6,085,807.23

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

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 100,517.00	\$ 86,811.00
Rents	715,747.29	676,007.94
Miscellaneous	18,056.48	21,845.25
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	15,519.02	76,014.45
	<hr/>	<hr/>
Total Income	849,839.79	860,678.64
	<hr/>	<hr/>
<u>Expenditures</u>		
Budget Appropriations:		
Operations	413,517.00	392,611.00
Services Charge by Gloucester County Utilities Authority	148,000.00	149,500.00
Debt Service	183,268.95	174,790.44
Deferred Charges and Statutory Expenditures	17,000.00	15,700.00
	<hr/>	<hr/>
Total Expenditures	761,785.95	732,601.44
	<hr/>	<hr/>
Statutory Excess to Fund Balance	88,053.84	128,077.20
<u>Fund Balance</u>		
Balance, January 1	292,197.45	250,931.25
	<hr/>	<hr/>
	380,251.29	379,008.45
Decreased by:		
Utilization by Operating Budget	100,517.00	86,811.00
	<hr/>	<hr/>
Balance, December 31	\$ 279,734.29	\$ 292,197.45
	<hr/> <hr/>	<hr/> <hr/>

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

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Statements of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

	<u>Anticipated</u> <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Fund Balance Anticipated	\$ 100,517.00	\$ 100,517.00	
Rents	665,000.00	715,747.29	\$ 50,747.29
	<u>\$ 765,517.00</u>	<u>\$ 816,264.29</u>	<u>\$ 50,747.29</u>

Analysis of Non-Budget Revenue

Miscellaneous:

Penalty on Delinquent Accounts	\$ 9,740.07
Interest on Investments	2,896.76
NSF Fees	60.00
Permits	4,103.00
Prior Year Refunds	536.65
Turn On and Off	<u>720.00</u>
	<u>\$ 18,056.48</u>

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

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	<u>Appropriations</u>					Unexpended Balance <u>Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 220,000.00	\$ 220,000.00	\$ 218,401.48		\$ 1,598.52	
Other Expenses	197,517.00	193,517.00	160,380.46	\$ 15,065.17	18,071.37	
Gloucester County Sewer System-Share of Costs	148,000.00	148,000.00	129,458.32	12,000.00	6,541.68	
Total Operating	565,517.00	561,517.00	508,240.26	27,065.17	26,211.57	-
Debt Service:						
Payment of Note Principal	165,000.00	165,000.00	163,625.00			\$ 1,375.00
Interest on Notes	18,000.00	22,000.00	19,643.95			2,356.05
Total Debt Service	183,000.00	187,000.00	183,268.95	-	-	3,731.05
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	17,000.00	17,000.00	15,960.46		1,039.54	
Total Deferred Charges and Statutory Expenditures	17,000.00	17,000.00	15,960.46	-	1,039.54	-
	\$ 765,517.00	\$ 765,517.00	\$ 707,469.67	\$ 27,065.17	\$ 27,251.11	\$ 3,731.05
Interest on Notes Disbursed			\$ 19,643.95	687,825.72		
			<u>\$ 707,469.67</u>			

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

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

	Balance <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2017</u>
General Fixed Assets:				
Land	\$ 3,162,100.00	\$ 325,000.00		\$ 3,487,100.00
Building	2,185,100.00			2,185,100.00
Vehicles	1,421,194.94			1,421,194.94
Equipment	<u>285,547.23</u>	<u>69,593.30</u>		<u>355,140.53</u>
Total General Fixed Assets	<u>\$ 7,053,942.17</u>	<u>\$ 394,593.30</u>	<u>\$ -</u>	<u>\$ 7,448,535.47</u>
 Total Investment in General Fixed Assets	 <u>\$ 7,053,942.17</u>	 <u>\$ 394,593.30</u>	 <u>\$ -</u>	 <u>\$ 7,448,535.47</u>

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Wenonah (hereafter referred to as the "Borough") is a New Jersey municipal corporation and one of twenty-four municipalities comprising the County of Gloucester. Originally founded in 1870, the Borough has been an organized community since 1883 however; it was not officially separated from Deptford Borough until 1894. The Borough is primarily a residential community 1.66 square miles in size. The present population according to the 2010 census is 2,278.

The Borough of Wenonah operates under a Mayor-Council form of government headed by the Mayor who is elected to serve a four-year term. Members of Council are elected to staggered three-year terms with two seats up each year. Executive and legislative responsibility rests with the Borough Council. The Business Manager, appointed by Mayor and Council, oversees the daily operations of the Borough.

Component Units - The financial statements of the component units of the Borough are not presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. If the provisions of the aforementioned GASB Statements had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Borough, the primary government:

Wenonah Free Public Library
101 E. Mantua Avenue
Wenonah, New Jersey 08090

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

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.

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

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

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

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

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

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

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

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

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

Cash, Cash Equivalents and Investments (Cont'd) - 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.

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.

Water and Sewer 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.

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

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

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

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

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, the Borough of Wenonah School District, and the Gateway Regional High 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 Wenonah School District and the Gateway Regional High 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. For the regional high school district, operations is charged for the Borough's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2016 and decreased by the amount deferred at December 31, 2017.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Gloucester. 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.

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

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 water and sewer utility indebtedness is on the accrual basis.

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2017, the Borough's bank balances of \$5,676,982.87 were insured by FDIC and GUDPA.

Note 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Tax Rate	\$ 4.074	\$ 3.987	\$ 3.902	\$ 3.350	\$ 3.160
Apportionment of Tax Rate:					
Municipal	\$.766	\$.766	\$.767	\$.680	\$.675
Municipal Library	.033	.033	.035	.031	.031
County	.629	.637	.635	.544	.525
County Open Space Preservation Trust Fund	.040	.042	.043	.038	.039
Local School	1.262	1.233	1.210	1.050	1.016
Regional High School	1.344	1.276	1.212	1.007	.874

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 223,342,200.00
2016	224,428,800.00
2015	224,639,200.00
2014	253,670,600.00
2013	256,277,165.00

Note 3: PROPERTY TAXES (CONT'D)

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

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$ 9,126,589.42	\$ 8,988,151.83	98.48%
2016	8,956,614.90	8,814,022.21	98.41%
2015	8,774,976.34	8,670,301.94	98.81%
2014	8,506,170.92	8,358,498.76	98.26%
2013	8,101,447.85	7,898,309.42	97.49%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2017	-	\$ 77,872.45	\$ 77,872.45	0.85%
2016	-	112,489.36	112,489.36	1.26%
2015	-	92,830.21	92,830.21	1.06%
2014	-	98,735.36	98,735.36	1.16%
2013	-	150,444.61	150,444.61	1.86%

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

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

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2017	\$ 162,500.00
2016	162,500.00
2015	162,500.00
2014	162,500.00
2013	162,500.00

Note 5: WATER AND SEWER UTILITY SERVICE CHARGES

The following is a five-year comparison of water and 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>			
2017	\$ 7,461.37	\$ -	\$ 711,243.44	\$ 718,704.81	\$ 715,747.29
2016	6,562.71	-	676,906.60	683,469.31	676,007.94
2015	15,050.89	-	656,675.09	671,725.98	665,163.27
2014	16,033.02	-	594,643.29	610,676.31	595,625.42
2013	25,726.97	-	625,637.45	651,364.42	635,331.40

Note 6: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 1,108,249.79	\$ 510,000.00 *	46.02%
2016	1,033,405.57	394,000.00	38.13%
2015	947,989.04	331,000.00	34.92%
2014	719,377.97	275,000.00	38.23%
2013	558,528.67	240,000.00	42.97%

Water and Sewer Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 279,734.29	\$ 95,000.00 *	33.96%
2016	292,197.45	100,517.00	34.40%
2015	250,931.25	86,811.00	34.60%
2014	280,652.15	87,000.00	31.00%
2013	267,315.17	88,000.00	32.92%

* As Introduced, May 24, 2018

Note 7: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 202.20	\$ 7,321.24
Federal and State Grant	7,321.24	
Trust - Other		202.20
	<u>\$ 7,523.44</u>	<u>\$ 7,523.44</u>

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

Note 8: PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, certain Borough employees may participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of 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.state.nj.us/treasury/pensions/financial-reports.shtml>

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

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

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

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

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

The membership tiers for PFRS are represented on the following page:

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)****Police and Firemen's Retirement System (Cont'd) -****Tier Definition**

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

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

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

Contributions

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

The Borough's contractually required contribution rate for the year ended December 31, 2017 was 12.75% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$42,332.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$38,947.00, which was paid on April 1, 2017. Employee contributions to the plan during the year ended December 31, 2017 were \$24,473.33.

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

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

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

The Borough's contractually required contribution rate for the year ended December 31, 2017 was 25.32% 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, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$119,091.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$93,137.00, which was paid on April 1, 2017. Employee contributions to the plan during the year ended December 31, 2017 were \$47,032.20.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2017 was 2.47% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2017 is \$11,635.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2016 was \$7,021.00, which was paid on April 1, 2017.

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

For the year ended December 31, 2017, there were no Borough employees enrolled in the DCRP.

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

Public Employees' Retirement System - At December 31, 2017, the Borough's proportionate share of the PERS net pension liability was \$1,063,718.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Borough's proportion was 0.0045695499%, which was an increase of 0.0001855307% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2017 measurement date is \$39,305.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Borough's contribution to PERS was \$38,947.00, and was paid on April 1, 2017.

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

Borough's Proportionate Share of Net Pension Liability	\$ 2,077,397.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	232,686.00
	<u>\$ 2,310,083.00</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Borough's proportion was 0.0134563295%, which was an increase of 0.0020332505% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0134563295%, which was an increase of 0.0020332505% from its proportion, on-behalf of the Borough, measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2017 measurement date is \$292,069.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Borough's contribution to PFRS was \$93,137.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the plan as of the June 30, 2017 measurement date is \$28,463.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

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

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 25,047.00	\$ 13,477.00	\$ 38,524.00	\$ -	\$ 12,193.00	\$ 12,193.00
Changes of Assumptions	214,303.00	256,166.00	470,469.00	213,517.00	340,217.00	553,734.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	7,243.00	39,642.00	46,885.00	-	-	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	58,593.00	379,673.00	438,266.00	136,219.00	-	136,219.00
Borough Contributions Subsequent to the Measurement Date	21,166.00	59,546.00	80,712.00	-	-	-
	<u>\$ 326,352.00</u>	<u>\$ 748,504.00</u>	<u>\$ 1,074,856.00</u>	<u>\$ 349,736.00</u>	<u>\$ 352,410.00</u>	<u>\$ 702,146.00</u>

\$21,166.00 and \$59,546.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans measurement date of June 30, 2017 to the Borough's year end of December 31, 2017.

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

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

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

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

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

Year Ending Dec 31,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ (12,526.00)	\$ 127,498.00	\$ 114,972.00
2019	220.00	170,681.00	170,901.00
2020	5,405.00	77,821.00	83,226.00
2021	(18,997.00)	(30,167.00)	(49,164.00)
2022	(18,652.00)	(9,285.00)	(27,937.00)
	<u>\$ (44,550.00)</u>	<u>\$ 336,548.00</u>	<u>\$ 291,998.00</u>

Actuarial Assumptions

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

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

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

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

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

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

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

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

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040 for PERS and through 2057 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

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

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

	PERS		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Borough's Proportionate Share of the Net Pension Liability	\$ 1,319,615.00	\$ 1,063,718.00	\$ 850,525.00

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

	PFRS		
	1% Decrease (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Borough's Proportionate Share of the Net Pension Liability	\$ 2,737,142.00	\$ 2,077,397.00	\$ 1,535,342.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	306,582.97	232,686.00	171,971.24
	<u>\$ 3,043,724.97</u>	<u>\$ 2,310,083.00</u>	<u>\$ 1,707,313.24</u>

Pension Plan Fiduciary Net Position

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

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

In accordance with 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 Five Years)

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0045695499%	0.0043840192%	0.0041835140%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,063,718.00	\$ 1,298,421.00	\$ 939,115.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 316,576.00	\$ 301,592.00	\$ 288,584.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	336.01%	430.52%	325.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0051494108%	0.0058095802%	
Borough's Proportionate Share of the Net Pension Liability	\$ 964,111.00	\$ 1,110,326.00	
Borough's Covered Payroll (Plan Measurement Period)	\$ 288,656.00	\$ 389,500.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	334.00%	285.06%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 42,332.00	\$ 38,947.00	\$ 35,967.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(42,332.00)</u>	<u>(38,947.00)</u>	<u>(35,967.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 331,998.00	\$ 314,011.00	\$ 311,277.00
Borough's Contributions as a Percentage of Covered Payroll	12.75%	12.40%	11.55%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 42,451.00	\$ 43,774.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(42,451.00)</u>	<u>(43,774.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 303,827.00	\$ 284,790.00	
Borough's Contributions as a Percentage of Covered Payroll	13.97%	15.37%	

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0134563295%	0.0114230790%	0.0107869729%
Borough's Proportionate Share of the Net Pension Liability	\$ 2,077,397.00	\$ 2,182,100.00	\$ 1,796,734.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	<u>232,686.00</u>	<u>183,242.00</u>	<u>-</u>
Total	<u>\$ 2,310,083.00</u>	<u>\$ 2,365,342.00</u>	<u>\$ 1,796,734.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 469,752.00	\$ 397,260.00	\$ 373,820.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	442.23%	549.29%	480.64%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0106551616%	0.0093737782%	
Borough's Proportionate Share of the Net Pension Liability	\$ 1,340,321.00	\$ 1,246,159.00	
State's Proportionate Share of the Net Pension Liability associated with the Borough	<u>144,330.00</u>	<u>116,157.00</u>	
Total	<u>\$ 1,484,651.00</u>	<u>\$ 1,362,316.00</u>	
Borough's Covered Payroll (Plan Measurement Period)	\$ 368,864.00	\$ 326,192.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	363.36%	382.03%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 119,091.00	\$ 93,137.00	\$ 87,682.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(119,091.00)</u>	<u>(93,137.00)</u>	<u>(87,682.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 470,322.00	\$ 464,642.00	\$ 397,302.00
Borough's Contributions as a Percentage of Covered Payroll	25.32%	20.04%	22.07%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 81,839.00	\$ 68,389.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(81,839.00)</u>	<u>(68,389.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 375,866.00	\$ 360,858.00	
Borough's Contributions as a Percentage of Covered Payroll	21.77%	18.95%	

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

Changes in Benefit Terms - None

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

Police and Firemen's Retirement System (PFRS)

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

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

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Borough's length of service awards program ("LOSAP"), which is reported in the Borough's trust fund, was created by a Borough Ordinance adopted on August 22, 2002 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The voters of the Borough approved the adoption of the LOSAP at the general election held on November 5, 2002, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2003. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The first year of eligibility for entrance into the Plan was calendar year 2003. The tax deferred income benefits for emergency service volunteers of the Wenonah Volunteer Fire Company, consisting of the volunteer fire department and the first aid organization, come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

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

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

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

The Borough elected to contribute \$1,000.00 for the year ended December 31, 2017, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2017, the Borough's total expenditure to the Plan was \$12,000.00.

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Borough to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Borough. These funds, however, are not available for funding the operations of the Borough.

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

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

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

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

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

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

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

Supplementary Length of Service Award Program Information

In accordance with GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, the following schedule of Borough contributions to the length of service award program is presented. This schedule is presented to illustrate the requirements to show information for 10 years.

<u>Year Ended December 31,</u>	<u>Borough's Plan Calculated Contribution</u>	<u>Borough's Contribution in Relation to the Plan Calculated Contribution</u>	<u>Borough's Plan Calculated Contribution Deficiency (Excess)</u>
2017	\$ 12,000.00	\$ 12,000.00	-
2016	11,000.00	11,000.00	-
2015	16,000.00	16,000.00	-
2014	14,000.00	14,000.00	-
2013	15,650.00	15,650.00	-
2012	19,950.00	19,950.00	-
2011	23,100.00	23,100.00	-
2010	24,250.00	24,250.00	-
2009	25,000.00	25,000.00	-
2008	23,100.00	23,100.00	-

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description - The Borough's defined benefit postemployment healthcare plan is the Borough of Wenonah Postemployment Benefits Plan (the "Borough Plan"). The Borough Plan is a sole employer postemployment healthcare plan administered by the Borough. The plan does not issue a separate financial report. For police officers this entitlement is provided in accordance with their labor contract, which stipulates that they are entitled to these benefits for the officer only, if they are at least 50 years of age, provided they served at least twenty-five (25) years of service with the Borough. At age 65 Medicare becomes the primary insurer. The contract also provides for this benefit to a police officer and certain family members if the officer is disabled or loses their life "in the line of duty". Other employees and immediate dependent family members receive this benefit in accordance with Borough Ordinance 2000-6 that stipulates eligibility to a retiree if they either qualify for a disability pension, have at least twenty five (25) consecutive years or more of service with the Borough, or are 62 years of age with fifteen (15) consecutive years or more with the Borough. At age 65 Medicare becomes the primary insurer.

Funding Policy - The contribution requirements of plan members and the Borough are established and may be amended by the Borough's governing body. The Borough Plan provides for a 100% funded postemployment health care, dental and prescription drug benefits, to certain police officers and other employees and dependent family members under certain conditions.

Retirees - The Borough presently funds its current retiree postemployment benefit costs on a "pay-as-you-go" basis and as shown above, receives monthly contributions from retirees to offset a portion of the cost. The Borough's contributions to the plan for the years ended December 31, 2017, 2016, and 2015 were \$66,850.00, \$68,904.00, and \$62,814.00, respectively.

Future Retirees - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Borough is required to disclose the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be \$592,012.00 at an unfunded discount rate of 4.5%. As stated above, the Borough has funded the cost of existing retirees in the amount of \$66,850.00, and has incurred the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

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

Annual OPEB Cost - For year ended December 31, 2017, the Borough's annual OPEB cost (expense) of \$535,712.00 for the plan was equal to the ARC plus certain adjustments because the Borough's actual contributions in prior years differed from the ARC. The Borough's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2017, 2016, and 2015 are as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Required Contribution (ARC)	\$ 592,012.00	\$ 725,427.00	\$ 725,427.00
Interest on the Net OPEB Obligation	154,400.00	127,000.00	98,800.00
Adjustment to the ARC	<u>(210,700.00)</u>	<u>(173,200.00)</u>	<u>(134,700.00)</u>
Annual OPEB Cost	535,712.00	679,227.00	689,527.00
Pay-as-You Go Cost (Existing Retirees)	<u>(66,850.00)</u>	<u>(68,904.00)</u>	<u>(62,814.00)</u>
Increase (Decrease) in the Net OPEB Obligation	468,862.00	610,323.00	626,713.00
Net OPEB Obligation, January 1	<u>3,430,672.00</u>	<u>2,820,349.00</u>	<u>2,193,636.00</u>
Net OPEB Obligation, December 31	<u>\$ 3,899,534.00</u>	<u>\$ 3,430,672.00</u>	<u>\$ 2,820,349.00</u>
Percentage of Annual OPEB Cost Contributed	12.5%	10.1%	9.1%

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

	<u>2017</u>	<u>2014</u>	<u>2011</u>
Actuarial Accrued Liability (AAL)	\$ 6,598,283.00	\$ 7,690,522.00	\$ 4,679,065.00
Actuarial Value of Plan Assets	<u>-</u>	<u>-</u>	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 6,598,283.00</u>	<u>\$ 7,690,522.00</u>	<u>\$ 4,679,065.00</u>
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0.0%	0.0%	0.0%
Covered Payroll (Active Plan Members)	\$ 802,320.00	\$ 679,693.00	\$ 645,648.00
UAAL as a Percentage of Covered Payroll	822.4%	1131.5%	724.7%

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

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

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

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

- *Mortality.* RP 2000 Combined Healthy Male Mortality Rates set forward three years.
- *Turnover.* NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility.
- *Assumed Retirement Age.* At first eligibility after completing 25 years of service, or age 62 with 15 years of service if sooner
- *Full Attribution Period.* Service to assumed retirement age.
- *Annual Discount Rate.* Future costs have been discounted at the rate of 4.5% compounded annually for GASB 45 purposes.
- *Rates of Retirement, Rates of Withdrawal, and Rates of Disability.* The same table used to value the Public Employees' Retirement System of New Jersey - Local liability.
- *Medical Trend.* 6% in 2017, reducing by .1% per annum, leveling at 5% per annum in 2026.
- *Medical Cost Aging Factor.* NJSHBP Medical Morbidity Rates
- *Retiree Contributions.* Subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System.

Note 11: COMPENSATED ABSENCES

The Borough provides to its employees compensated absences benefits for holidays, sick days, vacation, personal, jury duty, military leave, bereavement for immediate family members and for occupational injuries in accordance with labor contracts and Borough policies.

Police Officers

For police officers these benefits are in accordance with their labor contract which stipulates they are entitled to ten to twenty four vacation days per year based on years of service. Vacation days can be carried forward up to March 31 of the following year if approved by the police chief. Unused vacation days are compensated if the officer is laid off, drafted by the Military or if they have two or more years of service they can request to be paid for one week of vacation. Officers are entitled to twelve paid sick days per year which can be carried forward until retirement or termination. At retirement or termination the officer is entitled to be paid for a maximum of one hundred unused sick days at 25% of their current pay rate. An officer injured "in the line of duty" can be entitled to continue to receive their regular payroll for up to one year less the amount compensated for under the Borough's workers compensation insurance policy. This benefit can be extended by the Borough Council. Other compensated absences cannot be carried forward and are not compensated for at retirement or termination.

Note 11: COMPENSATED ABSENCES (CONT'D)**Other Employees**

Other full-time employees are entitled to nine paid sick leave days each year. Unused sick leave for other employees may be accumulated and carried forward to the subsequent year up to a maximum of thirty days or it may be sold back to the Borough on December 31 of each year at a rate of 25% of the employee's current rate of pay. Other employees are entitled to up to twenty vacation days, based on years of service, with the option, with Borough Council approval, of carrying forward or applying for a buy back. Other employees called up for military duty as a member of the reserve will continue to be paid for thirty days and members of the New Jersey National Guard for up ninety days. Other compensated absences cannot be carried forward and are not compensated for at retirement or termination.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at \$51,610.28.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 13: CAPITAL DEBT

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 1,676,500.00	\$ 590,080.00	\$ 683,450.00
Water and Sewer Utility:			
Bonds and Notes	1,206,750.00	1,370,375.00	1,531,500.00
Total Issued	<u>2,883,250.00</u>	<u>1,960,455.00</u>	<u>2,214,950.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	817,500.00	408,500.00	194,950.00
Water and Sewer Utility:			
Bonds and Notes			
Total Authorized but not Issued	<u>817,500.00</u>	<u>408,500.00</u>	<u>194,950.00</u>
Total Issued and Authorized but not Issued	<u>3,700,750.00</u>	<u>2,368,955.00</u>	<u>2,409,900.00</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Notes	4,096.57	4,339.10	4,432.50
Water and Sewer Utility:			
Self-Liquidating	1,206,750.00	1,370,375.00	1,531,500.00
Total Deductions	<u>1,210,846.57</u>	<u>1,374,714.10</u>	<u>1,535,932.50</u>
Net Debt	<u>\$ 2,489,903.43</u>	<u>\$ 994,240.90</u>	<u>\$ 873,967.50</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.116%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 2,503,751.72	\$ 2,503,751.72	
Self-Liquidating	1,206,750.00	1,206,750.00	
General	2,494,000.00	4,096.57	\$ 2,489,903.43
	<u>\$ 6,204,501.72</u>	<u>\$ 3,714,598.29</u>	<u>\$ 2,489,903.43</u>

Net debt \$2,489,903.43 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$223,199,307.00, equals 1.116%.

Note 13: CAPITAL DEBT (CONT'D)**Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 7,811,975.75
Less: Net Debt	<u>2,489,903.43</u>
Remaining Borrowing Power	<u><u>\$ 5,322,072.32</u></u>

**Calculation of "Self-Liquidating Purpose,"
Water and 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	\$ 834,320.77
Deductions:	
Operating and Maintenance Costs	\$ 578,517.00
Debt Service	<u>183,268.95</u>
Total Deductions	<u>761,785.95</u>
Excess in Revenue	<u><u>\$ 72,534.82</u></u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 14: SCHOOL TAXES

Gateway Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	Balance December 31,	
	<u>2017</u>	<u>2016</u>
Balance of Tax	\$ 1,500,645.86	\$ 1,432,476.32
Deferred	<u>238,358.08</u>	<u>238,358.08</u>
	<u><u>\$ 1,262,287.78</u></u>	<u><u>\$ 1,194,118.24</u></u>

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. 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>
2017	\$ 5,000.00	\$ -	\$ 149.41	\$ 2,310.67	\$ 40,036.26
2016	5,000.00	-	151.69	8,373.61	37,197.52
2015	-	-	179.56	16,816.12	40,419.44

Joint Insurance Pool - The Borough is a member of the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

The Fund provides the Borough with the following coverage:

- Property
- Boiler and Machinery
- General Liability
- Blanket Crime
- Public Official Bond
- Workers' Compensation
- Public Officials Liability
- Employment Liability
- Environmental Legal 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.

Note 15: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund
6000 Sagemore Drive
Suite 6203
P.O. Box 490
Marlton, New Jersey 08053

Employee Benefits Fund - The Borough of Wenonah is also a member of the Southern New Jersey Regional Employee Benefits Fund established pursuant to N.J.S.A. 40A:10-36 et. seq. and N.J.A.C. 11:15-3. The Fund provides its members with health benefits coverage.

The Fund is a member of the Municipal Reinsurance Health Insurance Fund (the "MRHIF"). The MRHIF is a risk-sharing public entity risk pool that is a self-administered group of joint insurance funds established for the purpose of providing excess health insurance coverage to participating members.

All members' assessments, including a reserve for contingencies, are payable in monthly installments are based on annual actuarial assumptions determined by the Fund's Actuary and on monthly and quarterly adjustments determined by the Fund's Actuary and Program Manager based on actual loss experience.

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:

Medical
Dental
Prescription

The Fund provides coverage on a self-insured basis and secures reinsurance in a form and an amount from an insurance company acceptable to the Commissioner of Insurance.

The Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Southern New Jersey Regional Employee Benefits Fund
250 Pehle Avenue
Suite 701
Saddle Brook, New Jersey 07663

Note 16: CONTINGENCIES

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

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

Note 17: CONCENTRATIONS

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

Note 18: SUBSEQUENT EVENTS

Wenonah Police Department - On April 26, 2018 the Wenonah Borough Council voted to approve the dissolution of the Wenonah Police Department and repeal Chapter 45-1 et seq. of the Revised General Ordinances of the Borough. On the same date the Borough entered into a Shared Services Agreement with the Township of Mantua for police services for the period June 1, 2018 through December 31, 2023. Effective June 1, 2018 the Mantua Police Department is designated as the enforcing agency for Borough Ordinances of the Borough of Wenonah and is authorized to carry out the police functions of the Borough as required by law and in accordance with the contract for police services between the Township of Mantua and the Borough of Wenonah.

Authorization of Debt - Subsequent to December 31, the Borough authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements		
Purchase of a rear-end loader trash truck	03/22/18	\$ 152,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF WENONAH
CURRENT FUND
Schedule of Cash - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2016	\$ 2,525,758.95	
Increased by Receipts:		
Consolidated Municipal Property Tax Relief Aid	\$ 9,833.00	
Energy Receipts Tax	150,119.00	
Lease Agreement	130,951.27	
Due from General Capital Fund:		
Reserve for Payment of Notes	4,339.10	
Miscellaneous Revenue not Anticipated	49,710.93	
Taxes Receivable	9,012,512.75	
Revenue Accounts Receivable	132,038.78	
Prepaid Taxes	627,013.32	
Tax Overpayments	11,365.44	
Due from State of New Jersey - Tax Deductions	22,307.12	
Due to Library - Per Capita Aid	988.00	
Elections (Contra)	4,950.00	
Matching Funds for Grants		\$ 2,503.00
Federal and State Grant Fund -- Current Fund	2,179.28	
Federal and State Grants Receivable		<u>57,620.52</u>
Total Receipts	<u>10,158,307.99</u>	<u>\$ 60,123.52</u>
	12,684,066.94	60,123.52
Decreased by Disbursements:		
2017 Appropriations	2,083,800.92	
2016 Appropriation Reserves	80,070.84	
Refunds of Tax Overpayments	10,992.04	
County Taxes Payable	1,493,612.68	
Due County for Added and Omitted Taxes	1,471.11	
Regional High School Tax	2,933,116.46	
Local District School Taxes	2,817,270.50	
Due to Library	988.00	
Elections (Contra)	4,950.00	
Reserve for Federal and State Grants - Appropriated		57,173.02
Reserve for Federal and State Grants - Encumbrances		771.22
Matching Funds for Grants	2,503.00	
Federal and State Grant Fund -- Current Fund		<u>2,179.28</u>
Total Disbursements	<u>9,428,775.55</u>	<u>60,123.52</u>
Balance December 31, 2017	<u><u>\$ 3,255,291.39</u></u>	<u><u>\$ -</u></u>

BOROUGH OF WENONAH
CURRENT FUND
Schedule of Change Funds
As of December 31, 2017

Office

Amount

Tax Collector

\$ 100.00

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

Year	Balance	Levy/	Collections		Due from	Canceled	Balance
	Dec. 31, 2016	Added Taxes	2016	2017	State of New Jersey		Dec. 31, 2017
2015	\$ 13,468.34			\$ 13,468.34			
2016	99,021.02			99,021.02			
	112,489.36			112,489.36			
2017		\$ 9,126,589.42	\$ 65,128.44	8,900,023.39	\$ 23,000.00	\$ 60,565.14	\$ 77,872.45
	\$ 112,489.36	\$ 9,126,589.42	\$ 65,128.44	\$ 9,012,512.75	\$ 23,000.00	\$ 60,565.14	\$ 77,872.45

Analysis of 2017 Property Tax Levy:

General Property Tax		\$ 9,098,961.42
Added Taxes (54:4-63.1 et seq.)		27,628.00
		<u>\$ 9,126,589.42</u>
Tax Levy:		
Regional High School Tax		\$ 3,001,286.00
Local District School Tax		2,817,271.00
Municipal Library Tax		74,600.64
County Tax	\$ 1,404,738.85	
Open Space	88,873.83	
Due County for Added Taxes (54:4-63.1 et seq.)	<u>4,536.97</u>	
Total County Taxes		1,498,149.65
Local Tax for Municipal Purposes Levied	1,710,804.04	
Add: Additional Tax Levied	<u>24,478.09</u>	
Local Tax for Municipal Purposes Levied		<u>1,735,282.13</u>
		<u>\$ 9,126,589.42</u>

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

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Accrued</u> <u>In 2017</u>	<u>Collected</u>
Clerk:			
Street Opening Permits		\$ 1,390.00	\$ 1,390.00
Police Department Fees		208.05	208.05
Uniform Construction Code Fees		39,139.35	39,139.35
Smoke Detector Certificate Fees		1,300.00	1,300.00
Abandoned Property Registration Fees		9,950.00	9,950.00
Zoning Lists		10.00	10.00
Trash Cans		325.00	325.00
Grading Plans		800.00	800.00
Planning Board Fees		300.00	300.00
Cable Television Franchise Fees		10,051.70	10,051.70
Municipal Court:			
Fines and Costs	\$ 816.47	14,865.71	15,682.18
Forfeited Bail		50.00	50.00
Lake Fees and Rentals		17,000.20	17,000.20
Interest and Costs on Taxes		23,403.32	23,403.32
Interest on Investments and Deposits		12,563.21	12,563.21
	<u>\$ 816.47</u>	<u>\$ 131,356.54</u>	<u>\$ 132,173.01</u>
		Current Fund - Treasurer	\$ 132,038.78
		Due from Trust -- Other Fund	134.23
			<u>\$ 132,173.01</u>

BOROUGH OF WENONAH
CURRENT FUND
 Schedule of 2016 Appropriation Reserves
 For the Year Ended December 31, 2017

	<u>Balance Dec. 31, 2016</u>		<u>Balance After</u>	<u>Disbursed</u>	<u>Balance</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Administrative and Executive:					
Other Expenses:					
Printing and Legal Advertising	\$ 646.49		\$ 646.49	\$ 136.50	\$ 509.99
Codification of Borough Ordinances		\$ 2,500.00	2,500.00	2,500.00	
Miscellaneous Other Expenses	6,088.94	2,800.00	8,888.94	2,800.00	6,088.94
Financial Administration:					
Other Expenses	2,301.89	1,336.50	3,638.39	1,336.50	2,301.89
Engineering Services & Costs:					
Other Expenses	1,883.55		1,883.55	1,100.00	783.55
Public Buildings and Grounds:					
Other Expenses	9,676.29	376.16	10,052.45	469.38	9,583.07
Heating Oil/Gas	11,645.65	554.86	12,200.51	915.95	11,284.56
Telephone	1,511.53	251.39	1,762.92	-	1,762.92
Electricity	5,372.68	2,225.60	7,598.28	2,124.02	5,474.26
Planning Board:					
Other Expenses	1,497.30	2,250.00	3,747.30	235.16	3,512.14
Environmental Commission:					
Other Expenses		1,725.00	1,725.00	1,394.46	330.54
Fire:					
Other Expenses	5.25	11,730.89	11,736.14	11,730.89	5.25
Police:					
Other Expenses	5,171.66	799.11	5,970.77	1,967.16	4,003.61
Garbage & Trash:					
Other Expenses	2,407.83		2,407.83	47.98	2,359.85
Road Repairs and Maintenance:					
Other Expenses	10,192.70	4,236.28	14,428.98	4,414.54	10,014.44
Gasoline	7,089.41	3,297.04	10,386.45	4,102.67	6,283.78
Street Lighting:					
Other Expenses	2,419.78	2,697.73	5,117.51	2,787.57	2,329.94
Sanitary Landfill:					
Other Expenses	15,845.04	2,404.09	18,249.13	6,836.31	11,412.82
Maintenance of Free Public Library	6,321.40	7,500.00	13,821.40	13,821.40	
Length of Service Award Program (LOSAP)	15,000.00		15,000.00	12,000.00	3,000.00
Interlocal Service Agreement for Code Enforcement					
Services - Mantua Township	142.35	2,000.00	2,142.35	1,394.35	748.00
Interlocal Service Agreement for Garbage & Trash					
Services - Logan Township	9,528.00	7,956.00	17,484.00	7,956.00	9,528.00
Other Accounts -- No Change	48,122.52		48,122.52		48,122.52
	<u>\$ 162,870.26</u>	<u>\$56,640.65</u>	<u>\$ 219,510.91</u>	<u>\$ 80,070.84</u>	<u>\$ 139,440.07</u>

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

Balance Dec. 31, 2016	\$ 65,128.44
Increased by:	
Receipts	627,013.32
	692,141.76
Decreased by:	
Applied to 2017 Taxes Receivable	65,128.44
Balance Dec. 31, 2017	\$ 627,013.32

Exhibit SA-7

BOROUGH OF WENONAH
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 3,853.07
Increased by:	
Overpayments in 2017	11,365.44
	15,218.51
Decreased by:	
Refunded	10,992.04
Balance Dec. 31, 2017	\$ 4,226.47

BOROUGH OF WENONAH
CURRENT FUND
Statement of Due to State of New Jersey
Senior Citizens and Veterans's Deductions
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 3,229.13
Increased by:		
Receipts		<u>22,307.12</u>
Decreased by:		25,536.25
Accrued in 2017:		
Senior Citizens' and Veterans' Deductions per Tax Billing	\$ 23,000.00	
Senior Citizens'/Veterans Deductions Allowed by Tax Collector	250.00	
Senior Citizens' Deductions Disallowed by Tax Collector	<u>(250.00)</u>	
		<u>23,000.00</u>
Balance Dec. 31, 2017		<u><u>\$ 2,536.25</u></u>

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

Accrued in 2017:		
County Taxes	\$ 1,404,738.85	
County Open Space Preservation	<u>88,873.83</u>	
		\$ 1,493,612.68
Decreased by:		
Disbursements		<u><u>\$ 1,493,612.68</u></u>

Exhibit SA-10

BOROUGH OF WENONAH
CURRENT FUND
Statement of Due County for Added And Omitted Taxes
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 1,471.11
Increased by County Share of 2017 Levy:		
Added Taxes (R.S.54:4-63.1 et seq.)		<u>4,536.97</u>
		6,008.08
Decreased by:		
Disbursements		<u>1,471.11</u>
Balance Dec. 31, 2017		<u><u>\$ 4,536.97</u></u>

BOROUGH OF WENONAH
CURRENT FUND
Statement of Regional High School Tax Payable
For the Year Ended December 31, 2017

<hr/>		
Balance Dec. 31, 2016:		
School Tax Payable	\$1,194,118.24	
School Tax Deferred	<u>238,358.08</u>	
		\$ 1,432,476.32
Increased by:		
Levy for School Year--July 1, 2017 to June 30, 2018		<u>3,001,286.00</u>
		4,433,762.32
Decreased by:		
Payments		<u>2,933,116.46</u>
Balance Dec. 31, 2017:		
School Tax Payable	1,262,287.78	
School Tax Deferred	<u>238,358.08</u>	
		<u>\$ 1,500,645.86</u>
 <u>2017 Liability for School Tax</u>		
Taxes Paid		\$ 2,933,116.46
Tax Payable--Dec. 31, 2017		<u>1,262,287.78</u>
		4,195,404.24
Less: Tax Payable--Dec. 31, 2016		<u>1,194,118.24</u>
Amount Charged to 2017 Operations		<u>\$ 3,001,286.00</u>

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

Balance Dec. 31, 2016	\$	0.52
Increased by:		
Levy for 2017 Calendar Year		2,817,271.00
		2,817,271.52
Decreased by:		
Payments		2,817,270.50
Balance Dec. 31, 2017	\$	1.02

Exhibit SA-13

BOROUGH OF WENONAH
CURRENT FUND
Statement of Due to Library - Per Capita Aid
For the Year Ended December 31, 2017

Accrued in 2017:		
Receipts	\$	988.00
Decreased by:		
Payments	\$	988.00

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

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
<u>State Grants:</u>				
Clean Communities Grant		\$ 5,922.94	\$ 5,922.94	
Safe and Secure Communities Program	\$ 8,750.00	30,000.00	30,000.00	\$ 8,750.00
Municipal Alliance for Drug and Alcohol Abuse	6,961.00	10,011.00	10,266.07	6,705.93
State Recycling Program		6,594.09	6,594.09	
New Jersey Forest Service Community Forestry Program	0.10			0.10
Body Armor Fund		1,062.42	1,062.42	
	<u>15,711.10</u>	<u>53,590.45</u>	<u>53,845.52</u>	<u>15,456.03</u>
<u>Local Grants:</u>				
TRICO JIF Safety Program		1,500.00	1,500.00	
JIF Safety Incentive Program		2,275.00	2,275.00	
	<u>-</u>	<u>3,775.00</u>	<u>3,775.00</u>	<u>-</u>
	<u>\$ 15,711.10</u>	<u>\$ 57,365.45</u>	<u>\$ 57,620.52</u>	<u>\$ 15,456.03</u>

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

	Balance <u>Dec. 31, 2016</u>	<u>Accrued</u>	Miscellaneous Revenue in <u>2017 Budget</u>	Balance <u>Dec. 31, 2017</u>
<u>State Grants:</u>				
Municipal Alliance for Drug and Alcohol Abuse		\$ 10,011.00	\$ 10,011.00	
Body Armor Fund		1,062.42		\$ 1,062.42
Clean Communities Program		5,922.94	5,922.94	
Safe and Secure Communities Program		30,000.00	30,000.00	
State Recycling Program		6,594.09	1,981.60	4,612.49
		<hr/>		
Total State Grants	\$ -	53,590.45	47,915.54	5,674.91
	<hr/>			
<u>Local Grants:</u>				
TRICO JIF Safety Program	1,500.00	1,500.00	1,500.00	1,500.00
JIF Safety Incentive Program	2,275.00	2,275.00	2,275.00	2,275.00
	<hr/>			
Total Local Grants	3,775.00	3,775.00	3,775.00	3,775.00
	<hr/>			
Grand Total	\$ 3,775.00	\$ 57,365.45	\$ 51,690.54	\$ 9,449.91
	<hr/> <hr/>			

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

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
<u>State Grants:</u>					
Municipal Alliance for Drug and Alcohol Abuse	\$ 8,658.52	\$ 12,514.00	\$ 11,656.14	\$ 100.00	\$ 9,416.38
Municipal Court Alcohol Education and Rehabilitation Fund	4,585.96		4,585.96		
Body Armor Fund	1,804.63				1,804.63
Clean Communities Program		5,922.94	5,922.94		
Safe and Secure Communities Program		30,000.00	30,000.00		
Drunk Driving Enforcement Fund	704.40		250.00		454.40
State Recycling Program		1,981.60	1,981.60		
Total State Grants	15,753.51	50,418.54	54,396.64	100.00	11,675.41
<u>Local Grants:</u>					
TRICO JIF Safety Program	506.77	1,500.00	506.77		1,500.00
JIF Safety Incentive Program	46.56	2,275.00	2,269.61		51.95
Total Local Grants	553.33	3,775.00	2,776.38	-	1,551.95
	\$ 16,306.84	\$ 54,193.54	\$ 57,173.02	\$ 100.00	\$ 13,227.36

BOROUGH OF WENONAH
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 5,141.96
Increased by:	
Disbursements	<u>2,179.28</u>
Balance Dec. 31, 2017	<u><u>\$ 7,321.24</u></u>

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

Balance Dec. 31, 2016	\$ 771.22
Increased by:	
2017 Encumbrances	<u>100.00</u>
	871.22
Decreased by:	
Disbursements	<u>771.22</u>
Balance Dec. 31, 2017	<u><u>\$ 100.00</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Trust Cash - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Animal Control</u>	<u>Other Funds</u>
Balance Dec. 31, 2016	\$ 7,295.88	\$ 131,278.27
Increased by Receipts:		
Animal Control Licenses Issued:		
Municipal Share	\$ 2,597.00	
State Share	369.00	
Due to Current Fund		\$ 244.35
Payroll Deductions Payable		1,278,036.11
Due to State of New Jersey:		
Marriage License Fees		250.00
Developer's Escrows		3,243.75
Unemployment Compensation Trust Fund		5,149.41
Parking Offense Adjudication Act		8.00
Police Outside Detail		31,061.25
Reserve for Wenonah Thumb's Up		208.40
Reserve for COAH Trust Fund		56.87
Reserve for Tax Sale Premium		25,200.00
Reserve for TTL Redemption		1,743.25
	2,966.00	1,345,201.39
	10,261.88	1,476,479.66
Decreased by Disbursements:		
Payroll Deductions Payable		1,277,160.81
Animal Control	2,621.51	
Due to Current Fund	728.97	110.12
Due to State of New Jersey:		
Animal Control License Fees	369.00	
Marriage Licenses Fees		250.00
Developer's Escrows		2,768.75
Unemployment Compensation Trust Fund		2,310.67
Police Outside Detail		33,408.75
Reserve for Wenonah Thumb's Up		1,696.33
Reserve for Tax Sale Premium		2,300.00
Reserve for TTL Redemption		1,743.25
	3,719.48	1,321,748.68
Balance Dec. 31, 2017	\$ 6,542.40	\$ 154,730.98

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

Balance Dec. 31, 2016		\$ 250,593.10
Increased by:		
Borough Contributions	\$ 12,000.00	
Unrealized Gain on Investments	40,453.12	
		52,453.12
		303,046.22
Decreased by:		
Administration Expenses		650.00
Balance Dec. 31, 2017		\$ 302,396.22

Schedule of Investments, December 31, 2017

Description

Fixed Annuity Contract		\$ 64,743.46
Mutual Funds		237,652.76
		\$ 302,396.22

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

Balance Dec. 31, 2016		\$ 7,295.88
Increased by:		
License Fees Collected		2,597.00
		9,892.88
Decreased by:		
Expenditures	\$ 2,621.51	
Statutory Excess in Animal Control Fund Reserve	728.97	
		3,350.48
Balance Dec. 31, 2017		\$ 6,542.40

License Fees Collected

<u>Year</u>	<u>Amount</u>
2015	\$ 3,585.20
2016	2,957.20
	\$ 6,542.40

BOROUGH OF WENONAH
TRUST FUND - ANIMAL CONTROL FUND
Statement of Due to State Department of Health
For the Year Ended December 31, 2017

Accrued in 2017:		
Fees Collected		\$ 369.00
Decreased by:		
Disbursements		\$ 369.00

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

Balance Dec. 31, 2016	\$	67.97
Increased by:		
Receipts - Interest Earned		244.35
		312.32
Decreased by:		
Disbursed to Current Fund		110.12
Balance Dec. 31, 2017	\$	202.20

Analysis of Balance as of December 31, 2017

Tax Title Lien Redemption	\$	45.25
Trust - Other		156.95
	\$	202.20

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

Balance Dec. 31, 2016	\$ 28,267.75
Increased by:	
Net Payroll and Payroll Deductions Deposited	1,278,036.11
	1,306,303.86
Decreased by:	
Net Payroll and Payroll Deductions Disbursed	1,277,160.81
Balance Dec. 31, 2017	\$ 29,143.05

Exhibit SB-7

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Due to State of N.J. - Marriage License Fees
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 100.00
Increased by:	
Received	250.00
	350.00
Decreased by:	
Disbursements	250.00
Balance Dec. 31, 2017	\$ 100.00

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Developer's Escrow
For the Year Ended December 31, 2017

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Developer's Escrow:				
Mattson Escrow	\$ 1,387.50			\$ 1,387.50
AT&T Escrow		\$ 1,150.00	\$ 1,150.00	
Meill Escrow		575.00	575.00	
Latta Escrow	134.60			134.60
Clearwire Escrow	4,507.31			4,507.31
Anyzek Escrow	85.00			85.00
Abate Escrow	797.47			797.47
Bucci Escrow	5,889.95			5,889.95
Koenig Escrow	5,089.75		450.00	4,639.75
McFadden Escrow	285.00			285.00
Moran Escrow	166.00			166.00
Oliver Escrow	5,120.00			5,120.00
Villari Escrow	382.52			382.52
Schuler Escrow	203.74			203.74
T-Mobile Escrow	158.75			158.75
Spross Escrow		1,518.75	593.75	925.00
Donn/McCloskey Escrow	1,375.00			1,375.00
	<u>\$ 25,582.59</u>	<u>\$ 3,243.75</u>	<u>\$ 2,768.75</u>	<u>\$ 26,057.59</u>

BOROUGH OF WENONAH
TRUST OTHER FUND
 Statement of Reserve for Unemployment Compensation Trust Fund
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 37,197.52
Increased by:		
Municipal Contribution Received	\$ 5,000.00	
Interest Received	149.41	
		5,149.41
		42,346.93
Decreased by:		
Disbursements		2,310.67
Balance Dec. 31, 2017		\$ 40,036.26

Exhibit SB-10

BOROUGH OF WENONAH
TRUST OTHER FUND
 Statement of Reserve for Parking Offense Adjudication Act
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 96.00
Increased by:		
Received from Municipal Court		8.00
Balance Dec. 31, 2017		\$ 104.00

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Reserve for Police Outside Detail
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 7,790.00
Increased by:	
Receipts	<u>31,061.25</u>
	38,851.25
Decreased by:	
Disbursements	<u>33,408.75</u>
Balance Dec. 31, 2017	<u><u>\$ 5,442.50</u></u>

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Reserve for Wenonah's Thumb's Up
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	3,367.17
Increased by:		
Receipts		208.40
		3,575.57
Decreased by:		
Disbursements		1,696.33
		1,879.24
Balance Dec. 31, 2017	\$	1,879.24

Exhibit SB-13

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Reserve for COAH Trust Fund
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	14,187.22
Increased by:		
Interest Received		56.87
		14,244.09
Balance Dec. 31, 2017	\$	14,244.09

BOROUGH OF WENONAH
TRUST OTHER FUND
 Statement of Reserve for Tax Sale Premium
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 14,500.00
Increased by:	
Premiums Received	25,200.00
	39,700.00
Decreased by:	
Disbursements	2,300.00
Balance Dec. 31, 2017	\$ 37,400.00

BOROUGH OF WENONAH
TRUST OTHER FUND
 Statement of Reserve for Tax Title Lien Redemption
 For the Year Ended December 31, 2017

Increased by:	
Receipts	\$ 1,743.25
Decreased by:	
Disbursements	\$ 1,743.25

BOROUGH OF WENONAH
TRUST OTHER FUND
Statement of Reserve for Length of Service Awards Program
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 250,593.10
Increased by:		
Borough Contributions	\$ 12,000.00	
Unrealized Gain on Investments	40,453.12	
	<u>52,453.12</u>	<u>52,453.12</u>
		303,046.22
Decreased by:		
Administration Expenses		<u>650.00</u>
Balance Dec. 31, 2017		<u><u>\$ 302,396.22</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Schedule of Cash - Treasurer
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016					\$ 101,875.16
Increased by Receipts:					
Receipt of State Grant:					
Ordinance 5-15	\$ 28,500.00				
Reserve for Payment of Notes	<u>14,000.00</u>				
		\$ 42,500.00			
Reserve for Payment of Notes - Reimbursed from WAA		4,096.57			
Budget Appropriation:					
Capital Improvement Fund		33,000.00			
Bond Anticipation Notes Issued		<u>1,245,000.00</u>			
				<u>1,324,596.57</u>	
					1,426,471.73
Decreased by Disbursements:					
Improvement Authorizations		320,256.08			
Contracts Payable		27,885.45			
Anticipated as Revenue in the 2017 Current Fund Budget:					
Reserve for Payment of Notes		<u>4,339.10</u>			
				<u>352,480.63</u>	
Balance Dec. 31, 2017					<u><u>\$ 1,073,991.10</u></u>

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

	Balance December 31, <u>2016</u>	<u>Received</u>		<u>Disbursed</u>		<u>Transfers</u>		Balance December 31, <u>2017</u>
		Bond Anticipation <u>Notes</u>	<u>Miscellaneous</u>	<u>Improvement Authorizations</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	
Capital Improvement Fund	\$ 27,866.24		\$ 33,000.00			\$ 41,000.00		\$ 19,866.24
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
3-12 Recreational Trails Program	2,715.65							2,715.65
10-14/2-15 Construction of a Pole Barn	603.79			\$ 603.79				
5-15/8-16 Roadway Improvements to Maple Street and S. Jackson Ave.	23,625.83		28,500.00	51,839.54				286.29
7-15 Purchase of Trash and Recycle Carts	5,271.14							5,271.14
10-15/13-17 Acquisition of Various Equipment for the Fire Department	29,184.96			18,862.00				10,322.96
9-16 Improvements to Mantua Avenue	839,658.00	\$ 880,000.00		31,029.81	1,646,887.48	\$ 40,725.00		82,465.71
5-17 Purchase of Real Property		204,000.00		198,005.94		11,000.00		16,994.06
8-17 Roadway Improvements to Maple Street and S. Jackson Ave.		161,000.00		19,915.00		359,000.00		500,085.00
8-17 Purchase of a Fire Truck					396,537.00	21,000.00		(375,537.00)
Grants Receivable	(900,000.00)					350,000.00		(1,250,000.00)
Contracts Payable	68,610.45				\$ 27,885.45	40,725.00	1,143,424.48	1,143,424.48
Reserve for Payment of Notes	4,339.10		18,096.57		4,339.10			18,096.57
Reserve for Grants Receivable							900,000.00	900,000.00
	<u>\$ 101,875.16</u>	<u>\$ 1,245,000.00</u>	<u>\$ 79,596.57</u>	<u>\$ 320,256.08</u>	<u>\$ 32,224.55</u>	<u>\$ 2,475,149.48</u>	<u>\$ 2,475,149.48</u>	<u>\$ 1,073,991.10</u>

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Schedule of Grants Receivable
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 900,000.00
Increased by:	
Grants Awarded	350,000.00
Balance Dec. 31, 2017	\$ 1,250,000.00

<u>Agency</u>	<u>Ordinance</u> <u>No.</u>	
New Jersey Department of Transportation	9-16	\$ 900,000.00
New Jersey Department of Transportation	8-17	350,000.00
		\$ 1,250,000.00

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
Schedule of Deferred Charges To Future Taxation - Unfunded
For the Year Ended December 31, 2017

Ordinance Number	Date of Ord.	Balance December 31, 2016	2017 Authorizations	Reserve for Grant Receivable	Grant Received	Notes Paid by Budget Appropriation	Balance December 31, 2017	Analysis of Balance		
								Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
13-06	2006 Road Program	4-27-06	\$ 9,000.00			\$ (9,000.00)				
14-08/ 18-09	Various Improvements: (b) Purchase of Computer Equipment	6-26-08	9,400.00			(9,400.00)				
1-09	Construction of Public Restroom Facility & Refreshment stand at Lisle Athletic Fields	1-22-09	6,480.00			(6,480.00)				
5-09	Improvements to Maple Street	4-9-09	5,400.00			(5,400.00)				
10-09/ 18-09/12-10	Various Road Improvements	6-25-09	26,910.00			(26,910.00)				
5-10	Purchase of Police Four-Wheel Drive SUV	3-25-10	12,920.00			(12,920.00)				
6-10	Various Road Improvements	9-23-10	54,400.00			(21,300.00)	\$ 33,100.00	\$ 33,100.00		
3-12	Recreational Trails Program	2-23-12	1,990.00			(1,990.00)				
8-12	Reconstruction of Barkbridge Road	8-23-12	11,000.00			(2,000.00)	9,000.00	9,000.00		
11-12	Roadway Improvements to Barkbridge Road	10-25-12	9,560.00			(9,560.00)				
4-13	Various Road Improvements	6-27-13	18,000.00			(6,000.00)	12,000.00	12,000.00		
5-13	Roadway Improvements to N. Synnott Ave., E. Poplar Street, W. Poplar Street and S. Jackson Ave.	7-25-13	97,940.67			(11,875.00)	86,065.67	86,065.67		
9-13	Improvements to Langston Field and Facility	12-26-13	638.53			(638.53)				
3-14	Purchase of Public Works Pick-Up Truck	3-27-14	28,120.00			(3,515.00)	24,605.00	24,605.00		
10-14/ 2-15	Construction of a Pole Barn	11-20-14 2-26-15	106,830.00			(11,870.00)	94,960.00	94,960.00		
5-15/8-16	Roadway Improvements to Maple Street and S. Jackson Ave.	3-26-15	142,565.80		\$ (28,500.00)	(11,551.47)	102,514.33	102,514.33		
7-15	Purchase of Trash and Recycle Carts	5-28-15	38,475.00			(4,275.00)	34,200.00	34,200.00		
10-15/13-17	Acquisition of Various Equipment for the Fire Department	10-22-15	38,950.00			(3,895.00)	35,055.00	35,055.00		

(Continued)

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Schedule of Deferred Charges To Future Taxation - Unfunded
 For the Year Ended December 31, 2017

Ordinance Number	Date of Ord.	Balance December 31, 2016	2017 Authorizations	Reserve for Grant Receivable	Grant Received	Notes Paid by Budget Appropriation	Balance December 31, 2017	Analysis of Balance			
								Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations	
9-16	Improvements to Mantua Avenue	8-25-16	\$ 380,000.00		\$ 900,000.00		\$ 1,280,000.00	\$ 880,000.00		\$ 400,000.00	
5-17	Purchase of Real Property	7-27-17	\$ 204,000.00				204,000.00	204,000.00			
8-17	Roadway Improvements to Maple Street and S. Jackson Ave.	9-28-17	161,000.00				161,000.00	161,000.00			
8-17	Purchase of a Fire Truck	9-28-17	389,000.00				389,000.00		\$ 389,000.00		
			<u>\$ 998,580.00</u>	<u>\$ 754,000.00</u>	<u>\$ 900,000.00</u>	<u>\$ (28,500.00)</u>	<u>\$ (158,580.00)</u>	<u>\$ 2,465,500.00</u>	<u>\$ 1,676,500.00</u>	<u>\$ 389,000.00</u>	<u>\$ 400,000.00</u>
								Improvement Authorizations - Unfunded		\$ 678,888.16	
								Less: Unexpended Proceeds of Bond Anticipation Notes Issued:			
								Ordinance 5-15	\$ 286.29		
								Ordinance 7-15	5,271.14		
								Ordinance 10-15/17-13	10,322.96		
								Ordinance 9-16	82,465.71		
								Ordinance 5-17	16,994.06		
								Ordinance 8-17	150,085.00		
								Ordinance 8-17	<u>13,463.00</u>		
										<u>(278,888.16)</u>	
										<u>\$ 400,000.00</u>	

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

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2016		2017 Authorizations			Balance December 31, 2017		
				Funded	Unfunded	Capital Improvement Fund	Grants Receivable	Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Funded	Unfunded
3-12	Recreational Trails Program	2-23-12	35,000.00	\$ 2,715.65						\$ 2,715.65	
10-14/ 2-15	Construction of a Pole Barn	11-20-14 2-26-15	62,000.00 63,000.00		\$ 603.79				\$ 603.79		
5-15/8-16	Roadway Improvements to Maple Street and S. Jackson Ave.	3-26-15 7-28-16	280,000.00 15,065.80		52,125.83				51,839.54		\$ 286.29
7-15	Purchase of Trash and Recycle Carts	5-28-15	45,000.00		5,271.14						5,271.14
10-15/13-17	Acquisition of Various Equipment for the Fire Department	10-22-15 11-30-17	41,000.00		29,184.96				18,862.00		10,322.96
9-16	Improvements to Mantua Avenue	8-25-16	1,300,000.00	839,658.00	380,000.00				737,192.29		482,465.71
5-17	Purchase of Real Property	7-27-17	215,000.00			\$ 11,000.00		\$ 204,000.00	198,005.94		16,994.06
8-17	Roadway Improvements to S. Marion Avenue and S. Clinton Ave.	9-28-17	520,000.00			9,000.00	\$ 350,000.00	161,000.00	19,915.00	350,000.00	150,085.00
8-17	Purchase of a Fire Truck	9-28-17	410,000.00			21,000.00		389,000.00	396,537.00		13,463.00
Total				\$ 842,373.65	\$ 467,185.72	\$ 41,000.00	\$ 350,000.00	\$ 754,000.00	\$ 1,422,955.56	\$ 352,715.65	\$ 678,888.16
									Cash Disbursed	\$ 320,256.08	
									Contracts Payable	1,143,424.48	
									Contracts Payable Canceled	(40,725.00)	
										<u>\$ 1,422,955.56</u>	

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

Balance Dec. 31, 2016		\$ 68,610.45
Increased by:		
Charged to Improvement Authorizations		1,143,424.48
		1,212,034.93
Decreased by:		
Disbursed	\$ 27,885.45	
Canceled Back to Improvement Authorization	40,725.00	
		68,610.45
Balance Dec. 31, 2017		\$ 1,143,424.48

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Schedule of Capital Improvement Fund
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 27,866.24
Increased by:		
2017 Budget Appropriation		33,000.00
		60,866.24
Decreased by:		
Appropriations to Finance Improvement Authorizations		41,000.00
Balance Dec. 31, 2017		\$ 19,866.24

BOROUGH OF WENONAH
GENERAL CAPITAL FUND
 Schedule of Reserve for Payment of Notes
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 4,339.10
Increased by:		
Reimbursed from Wenonah Athletic Association	\$ 4,096.57	
State Grant Received for Fully Funded Ordinance	14,000.00	
		18,096.57
		22,435.67
Decreased by:		
Anticipated as Revenue in 2017 Current Fund Budget		4,339.10
Balance Dec. 31, 2017		\$ 18,096.57

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2017</u>
13-06	2006 Road Program	3-8-07	7-13-16	7-13-17	1.15%	\$ 9,000.00		\$ 9,000.00	
14-08	Various Improvements	7-23-08	7-13-16	7-13-17	1.15%	9,400.00		9,400.00	
1-09	Construction of Public Restroom Facility & Refreshment stand at Lisle Athletic Fields	7-22-09	7-13-16	7-13-17	1.15%	6,480.00		6,480.00	
5-09	Improvements to Maple Street	7-22-09	7-13-16	7-13-17	1.15%	5,400.00		5,400.00	
10-09/ 18-09	Various Road Improvements	7-22-09	7-13-16	7-13-17	1.15%	26,910.00		26,910.00	
5-10	Purchase of Police Four-Wheel Drive SUV	7-21-10	7-13-16	7-13-17	1.15%	12,920.00		12,920.00	
6-10	Various Road Improvements	7-21-10	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	54,400.00	\$ 33,100.00 33,100.00	54,400.00 33,100.00	\$ 33,100.00
3-12	Recreational Trails Program	7-17-12	7-13-16	7-13-17	1.15%	1,990.00		1,990.00	
8-12	Reconstruction of Barkbridge Road	7-17-12	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	11,000.00	9,000.00 9,000.00	11,000.00 9,000.00	9,000.00
11-12	Roadway Improvements to Barkbridge Road	7-16-13	7-13-16	7-13-17	1.15%	9,560.00		9,560.00	
4-13	Various Road Improvements	7-21-10	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	18,000.00	12,000.00 12,000.00	18,000.00 12,000.00	12,000.00
5-13	Roadway Improvements to N. Synnott Ave., E. Poplar Street, W. Poplar Street and S. Jackson Ave.	7-15-14	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	97,940.67	86,065.67 86,065.67	97,940.67 86,065.67	86,065.67
9-13	Improvements to Langston Field and Facility	7-15-14	7-13-16	7-13-17	1.15%	638.53		638.53	

(Continued)

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

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2016	Increased	Decreased	Balance December 31, 2017
3-14	Purchase of Public Works Pick-Up Truck	7-15-14	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	\$ 28,120.00	\$ 24,605.00 24,605.00	\$ 28,120.00 24,605.00	\$ 24,605.00
10-14/ 2-15	Construction of a Pole Barn	7-14-15	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	106,830.00	94,960.00 94,960.00	106,830.00 94,960.00	94,960.00
5-15 / 8-16	Roadway Improvements to Maple Street and S. Jackson Ave.	7-14-15	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	114,065.80	102,514.33 102,514.33	114,065.80 102,514.33	102,514.33
7-15	Purchase of Trash and Recycle Carts	7-14-15	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	38,475.00	34,200.00 34,200.00	38,475.00 34,200.00	34,200.00
10-15	Acquisition of Various Equipment for the Fire Department	7-13-16	7-13-16 6-29-17 12-13-17	7-13-17 12-20-17 12-13-18	1.15% 1.796% 1.69%	38,950.00	35,055.00 35,055.00	38,950.00 35,055.00	35,055.00
9-16	Improvements to Mantua Avenue	6-29-17	6-29-17 12-13-17	12-20-17 12-13-18	1.796% 1.69%		380,000.00 880,000.00	380,000.00	880,000.00
5-17	Purchase of Real Property	12-13-17	12-13-17	12-13-18	1.69%		204,000.00		204,000.00
8-17	Roadway Improvements to Maple Street and S. Jackson Ave.	12-13-17	12-13-17	12-13-18	1.69%		161,000.00		161,000.00
Total						<u>\$ 590,080.00</u>	<u>\$ 2,488,000.00</u>	<u>\$ 1,401,580.00</u>	<u>\$ 1,676,500.00</u>
							Renewals	\$ 1,243,000.00	\$ 1,243,000.00
							Issued for Cash	1,245,000.00	
							Paid by Budget Appropriation		158,580.00
							<u>\$ 2,488,000.00</u>	<u>\$ 1,401,580.00</u>	

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

Ordinance Number	Improvement Description	Balance December 31, 2016	2017 Authorizations	Reserve for Grant Receivable	Grant Received	Bond Anticipation Notes Issued	Balance December 31, 2017
5-15 / 8-16	Roadway Improvements to Maple Street and S. Jackson Ave.	\$ 28,500.00			\$ 28,500.00		
9-16	Improvements to Mantua Avenue	380,000.00		\$ 900,000.00		\$ 880,000.00	\$ 400,000.00
5-17	Purchase of Real Property		\$ 204,000.00			204,000.00	
8-17	Roadway Improvements to Maple Street and S. Jackson Ave.		161,000.00			161,000.00	
8-17	Purchase of a Fire Truck		389,000.00				389,000.00
		\$ 408,500.00	\$ 754,000.00	\$ 900,000.00	\$ 28,500.00	\$ 1,245,000.00	\$ 789,000.00

SUPPLEMENTAL EXHIBITS
WATER AND SEWER UTILITY FUND

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Statement of Water and Sewer Utility Cash - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance Dec. 31, 2016	\$ 348,808.32	\$ 443,037.84
Increased by Receipts:		
Consumer Accounts Receivable	\$ 715,576.57	
Miscellaneous Revenues Not Anticipated	18,056.48	
Prepaid Rents	<u>48.48</u>	
	<u>733,681.53</u>	<u>-</u>
	1,082,489.85	443,037.84
Decreased by Disbursements:		
2017 Appropriations	687,825.72	
Appropriation Reserves	33,610.56	
Accrued Interest on Notes	25,991.47	
Improvement Authorizations		\$103,412.11
Contracts Payable		<u>139,339.91</u>
	<u>747,427.75</u>	<u>242,752.02</u>
Balance Dec. 31, 2017	<u><u>\$ 335,062.10</u></u>	<u><u>\$ 200,285.82</u></u>

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
 Water and Sewer Utility Capital Fund
 Statement of Water and Sewer Utility Capital Cash
 For the Year Ended December 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Disbursed</u>		<u>Balance</u> <u>Dec. 31, 2017</u>
		<u>Improvement</u> <u>Authorizations</u>	<u>Miscellaneous</u>	
Capital Improvement Fund	\$ 17,504.25			\$ 17,504.25
Improvement Authorizations:				
Ordinance				
<u>Number</u>				
1-14 Replacement of Well #2	265,660.68	\$ 99,012.15		166,648.53
11-14 Purchase of Utility Backup Generator for Wells	20,533.00	4,399.96		16,133.04
Contracts Payable	139,339.91		\$ 139,339.91	
	<u>\$ 443,037.84</u>	<u>\$ 103,412.11</u>	<u>\$ 139,339.91</u>	<u>\$ 200,285.82</u>

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Water and Sewer Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 7,461.37
Increased by:		
Utility Rents and Penalty Fees Levied in 2017:		
Water and Sewer		711,243.44
		718,704.81
Decreased by:		
Collection (Net Refunds)	\$ 715,576.57	
Prepaid Rents Applied	170.72	
		715,747.29
Balance Dec. 31, 2017		\$ 2,957.52

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
 Water and Sewer Operating Fund
 Statement of 2016 Appropriation Reserves
 For the Year Ended December 31, 2017

	Balance			Balance
	<u>Dec. 31, 2016</u>			<u>Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>Disbursed</u>	
Operating:				
Salaries and Wages	\$ 1,360.80			\$ 1,360.80
Other Expenses	10,193.62	\$ 20,446.22	\$ 21,848.38	8,791.46
Gloucester County Sewer System - Share of Costs	3,765.11	13,000.00	11,762.18	5,002.93
Statutory Expenditures:				
Social Security System (O.A.S.I.)	363.83			363.83
	<u>\$ 15,683.36</u>	<u>\$ 33,446.22</u>	<u>\$ 33,610.56</u>	<u>\$ 15,519.02</u>

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Water and Sewer Operating Fund
Statement of Prepaid Rents
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 170.72
Increased by:	
Receipts	<u>48.48</u>
	219.20
Decreased by:	
Applied to 2017 Consumer Accounts Receivable	<u>170.72</u>
Balance Dec. 31, 2017	<u><u>\$ 48.48</u></u>

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
 Water and Sewer Utility Operating Fund
 Schedule of Accrued Interest on Notes
 For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 7,310.57
Increased by:	
Budget Appropriations for Interest on Notes	19,643.95
	26,954.52
Decreased by:	
Interest Paid	25,991.47
Balance Dec. 31, 2017	\$ 963.05

Analysis of Accrued Interest December 31, 2017

<u>Principal Outstanding Dec. 31, 2017</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<i>Bond Anticipation Notes</i>					
\$ 1,206,750.00	1.69%	12-13-17	12-31-17	17 Days	\$ 963.05

BOROUGH OF WENONAH
 WATER AND SEWER UTILITY FUND
 Water and Sewer Utility Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2016 Unfunded</u>	<u>Paid or Charged</u>	<u>Balance December 31, 2017 Unfunded</u>
1-14	Replacement of Well #2	3-27-14	\$ 1,100,000.00	\$ 265,660.68	\$ 99,012.15	\$ 166,648.53
11-14	Purchase of Utility Backup Generator for Wells	11-20-14	75,000.00	20,533.00	4,399.96	16,133.04
	Total			<u>\$ 286,193.68</u>	<u>\$ 103,412.11</u>	<u>\$ 182,781.57</u>
				Cash Disbursed	<u>\$ 103,412.11</u>	

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Water and Sewer Utility Capital Fund
Schedule of Contracts Payable
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 139,339.91
Decreased by:	
Disbursed	<u><u>\$ 139,339.91</u></u>

BOROUGH OF WENONAH
WATER AND SEWER UTILITY FUND
Water and Sewer Utility Capital Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 3,916,124.70
Increased by:	
Notes Paid by Operating Budget	<u>163,625.00</u>
Balance Dec. 31, 2017	<u><u>\$ 4,079,749.70</u></u>

BOROUGH OF WENONAH
 WATER AND SEWER UTILITY CAPITAL FUND
 Schedule of Bond Anticipation Notes
 For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2017</u>
14-06	Improvements to Elm Street Pump Station	3-8-07	7-13-16	7-13-17	1.15%	\$ 2,500.00		\$ 2,500.00	
8-07/20-08	Wenonah Meadows Water & Sewer Extension	2-28-08	7-13-16	7-13-17	1.15%	72,000.00		72,000.00	
			6-29-17	12-20-17	1.796%		\$ 36,000.00	36,000.00	
			12-13-17	12-13-18	1.69%		36,000.00		\$ 36,000.00
22-08/3-10	Purchase and Installation of New Water Meters	7-22-09	7-13-16	7-13-17	1.15%	114,375.00		114,375.00	
			6-29-17	12-20-17	1.796%		79,250.00	79,250.00	
			12-13-17	12-13-18	1.69%		79,250.00		79,250.00
4-11	Reconstruction of Lenape Pump Station	7-20-11	7-13-16	7-13-17	1.15%	71,500.00		71,500.00	
			6-29-17	12-20-17	1.796%		77,500.00	77,500.00	
			12-13-17	12-13-18	1.69%		77,500.00		77,500.00
13-11	Acquisition and Installation of Pump for Well No. 1	7-17-12	7-13-16	7-13-17	1.15%	30,500.00		30,500.00	
			6-29-17	12-20-17	1.796%		5,000.00	5,000.00	
			12-13-17	12-13-18	1.69%		5,000.00		5,000.00
1-14	Replacement of Well #2	7-15-14	7-13-16	7-13-17	1.15%	980,000.00		980,000.00	
			6-29-17	12-20-17	1.796%		917,000.00	917,000.00	
			12-13-17	12-13-18	1.69%		917,000.00		917,000.00
11-14	Purchase of Utility Backup Generator for Wells	7-14-15	7-13-16	7-13-17	1.15%	99,500.00		99,500.00	
			6-29-17	12-20-17	1.796%		92,000.00	92,000.00	
			12-13-17	12-13-18	1.69%		92,000.00		92,000.00
						<u>\$ 1,370,375.00</u>	<u>\$ 2,413,500.00</u>	<u>\$ 2,577,125.00</u>	<u>\$ 1,206,750.00</u>
							Renewal \$ 2,413,500.00	\$ 2,413,500.00	
							Paid by Budget Appropriation	<u>163,625.00</u>	
							<u>\$ 2,413,500.00</u>	<u>\$ 2,577,125.00</u>	

BOROUGH OF WENONAH

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2017

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

Schedule of Financial Statement Findings

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

None.

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

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

None.

BOROUGH OF WENONAH
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
John R. Dominy	Mayor	
Philipp Kaeferle	Council President	
Carl Hausman	Councilperson	
Paul J. Lader	Councilperson	
William Norris	Councilperson	
Jack Sheppard	Councilperson	
Daniel Cox	Councilperson	
Beth Walls	Tax Collector, Tax Search Officer	(A)
Robert E. Scharlé	Chief Financial Officer	(A)
Karen Sweeney	Municipal Treasurer / Clerk	(A)
Laurie Christinzio	Deputy Municipal Treasurer, Tax/Utility Clerk	(A)
Brian J. Duffield, Esq	Solicitor	(A)
David Kreck, P.E.	Engineer	
Robyn Glocker-Hammond	Tax Assessor—Gloucester County	
James Gallagher	Construction Code Official	(A)
Joseph Buono	Fire Sub Code Official	(A)

(A) Covered by Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund for \$1,000,000.00 with a \$1,000 deductible.

All copies of the bonds and policy were examined and found to be properly executed.

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APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink that reads "Carol A. McAllister". The signature is written in a cursive style with a prominent dot over the 'i' in "Allister".

Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

