

**BOROUGH OF MOUNT EPHRAIM**  
**County of Camden**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2014**

**BOROUGH OF MOUNT EPHRAIM**  
**COUNTY OF CAMDEN**

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**BOROUGH OF MOUNT EPHRAIM**

**PART I**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2014**

# ***INVERSO & STEWART, LLC***

**Certified Public Accountants**

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Borough Commission  
Borough of Mount Ephraim  
County of Camden  
Mount Ephraim, New Jersey

### ***Report on the Financial Statements***

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Mount Ephraim, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, 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 assets group of accounts for the year ended December 31, 2014 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. Management is also responsible for 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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of 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 U.S. Generally Accepted Accounting Principles***

In my opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Mount Ephraim, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In my 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 Mount Ephraim, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, 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, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2014 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 Information***

My audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough’s basic financial statements. The supplemental financial statements presented for the various funds 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

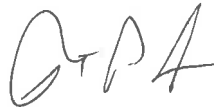
The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures 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 my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated March 28, 2014 on my consideration of the Borough of Mount Ephraim's, in the County of Camden, State of New Jersey, internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Mount Ephraim's internal control over financial reporting.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants

A handwritten signature in black ink, appearing to read 'RPA', is positioned above the printed name of Robert P. Inverso.

Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
March 28, 2014



# ***INVERSO & STEWART, LLC***

**Certified Public Accountants**

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## **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 Mount Ephraim  
County of Camden  
Mount Ephraim, New Jersey

I 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 Mount Ephraim, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued my report thereon dated March 28, 2014. That report indicated that the Borough of Mount Ephraim'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 my audit of the financial statements, I considered the Borough of Mount Ephraim's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, I do not express an opinion on the effectiveness of the Borough of Mount Ephraim'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 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Mount Ephraim's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or audit requirements as prescribed by the Division of Local Governments 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough'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,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
March 28, 2014

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2014 and 2013

|  | <u>REFERENCE</u> | <u>2014</u>           | <u>2013</u>           |
|--|------------------|-----------------------|-----------------------|
| <b><u>ASSETS</u></b>                             |                  |                       |                       |
| Regular Fund:                                    |                  |                       |                       |
| Cash - Treasurer                                 | A-4              | \$ 813,056.67         | \$ 665,236.68         |
| Cash - Change Fund - Collector                   | A-5              | <u>150.00</u>         | <u>150.00</u>         |
| Total  |                  | <u>813,206.67</u>     | <u>665,386.68</u>     |
| Due State of New Jersey -                        |                  |                       |                       |
| Veterans and Senior Citizens Deductions          | A-6              | <u>1,140.98</u>       | <u>2,777.28</u>       |
| Receivables and Other Assets with Full Reserves: |                  |                       |                       |
| Delinquent Property Taxes Receivable             | A-7              | 272,757.61            | 216,545.19            |
| Tax Title Liens Receivable                       | A-8              | 78,335.18             | 73,244.21             |
| Property Acquired for Taxes - Assessed Valuation | A-9              | 9,400.00              | 9,400.00              |
| Sewer Rents Receivable                           | A-10             | 14,188.72             | 20,447.22             |
| Revenue Accounts Receivable                      | A-11             | 14,358.61             | 11,998.16             |
| Due from Animal Control Fund                     | B                |                       | 617.08                |
| Due from Trust - Other Fund                      | B                | 30,156.61             | 23,389.04             |
| Due from General Capital Fund                    | C                | 15,507.92             |                       |
| Due from Federal and State Grant Fund            | A                | <u>52,437.03</u>      | <u>50,652.03</u>      |
| Total  |                  | <u>487,141.68</u>     | <u>406,292.93</u>     |
| Deferred Charges:                                |                  |                       |                       |
| Special Emergency Authorization (40A:4-53)       | A-12             | <u>85,000.00</u>      |                       |
| Total Regular Fund                               |                  | <u>1,386,489.33</u>   | <u>1,074,456.89</u>   |
| Federal and State Grant Fund:                    |                  |                       |                       |
| Cash - Treasurer                                 | A-4              | 972,511.91            | 1,233,469.73          |
| Federal and State Grants Receivable              | A-23             | 164,708.13            | 75,002.13             |
| Due from Current Fund                            | A                | <u>26,659.72</u>      | <u>15,185.07</u>      |
| Total Federal and State Grant Fund               |                  | <u>1,163,879.76</u>   | <u>1,323,656.93</u>   |
| Total Assets                                     |                  | <u>\$2,550,369.09</u> | <u>\$2,398,113.82</u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u>   | <u>REFERENCE</u> | <u>2014</u>            | <u>2013</u>            |
|---|------------------|------------------------|------------------------|
| Regular Fund:                                   |                  |                        |                        |
| Liabilities:                                    |                  |                        |                        |
| Appropriation Reserves                          | A-3              | \$ 158,775.56          | \$ 92,262.82           |
| Encumbrances Payable                            | A-3,A-22         | 65,326.23              | 55,014.37              |
| Tax Overpayments                                | A-14             | 19,863.69              | 2,670.19               |
| Prepaid Taxes                                   | A-15             | 39,074.40              | 45,309.08              |
| Local School Taxes Payable                      | A-16             | 0.50                   |                        |
| Due County for Added and Omitted Taxes          | A-17             | 29,612.83              | 1,250.22               |
| Sewer Rent Overpayments                         | A-18             | 1,073.34               | 688.93                 |
| Due to Federal and State Grant Fund             | A                | 26,659.72              | 15,185.07              |
| Due to Other Trust Fund                         | B                | 57,190.53              | 57,190.53              |
| Due to General Capital Fund                     | C                |                        | 16,485.04              |
| Due State of New Jersey - Marriage License Fees | A-19             | 150.00                 | 100.00                 |
| Due State of New Jersey - UCC Fees              | A-20             | 1,327.00               | 322.00                 |
| Other Liability                                 |                  |                        | 2,250.00               |
| Reserve for Revaluation                         | A-21             | 11,859.34              |                        |
| Reserve for Codification of Ordinances          | A-22             | 14,501.87              | 17,071.50              |
|   |                  | <u>425,415.01</u>      | <u>305,799.75</u>      |
| Total Liabilities                               |                  |                        |                        |
| Reserve for Receivables and Other Assets        | A                | 487,141.68             | 406,292.93             |
| Fund Balance                                    | A-1              | 473,932.64             | 362,364.21             |
|   |                  | <u>1,386,489.33</u>    | <u>1,074,456.89</u>    |
| Total Regular Fund                              |                  |                        |                        |
| Federal and State Grant Fund:                   |                  |                        |                        |
| Encumbrances Payable                            |                  | 6,809.39               | 2,106.14               |
| Due to Current Fund                             | A                | 52,437.03              | 50,652.03              |
| Due to General Capital Fund                     | C                | 1,009,940.80           | 1,044,940.80           |
| Unappropriated Reserves                         | A-24             | 11,106.29              | 138,191.31             |
| Appropriated Reserves                           | A-25             | 83,586.25              | 87,766.65              |
|   |                  | <u>1,163,879.76</u>    | <u>1,323,656.93</u>    |
| Total Federal and State Grant Fund              |                  |                        |                        |
| Total Liabilities, Reserves and Fund Balance    |                  | <u>\$ 2,550,369.09</u> | <u>\$ 2,398,113.82</u> |

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

## BOROUGH OF MOUNT EPHRAIM

## Current Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

|  | <u>2014</u>          | <u>2013</u>          |
|--|----------------------|----------------------|
| Revenue and Other Income Realized:                               |                      |                      |
| Fund Balance Utilized  | \$ 235,000.00        | \$ 237,500.00        |
| Miscellaneous Revenue Anticipated                                | 1,437,064.66         | 1,111,341.73         |
| Receipts from Delinquent Taxes                                   | 215,505.69           | 210,626.07           |
| Receipts from Current Taxes                                      | 11,647,191.84        | 11,335,899.66        |
| Nonbudget Revenues   | 81,261.02            | 112,810.23           |
| Other Credits to Income:   |                      |                      |
| Unexpended Balance of Appropriation Reserves                     | 26,893.56            | 51,926.24            |
| Cancellation of Other Liability                                  | 2,250.00             |                      |
| Liquidation of Interfunds  |                      | 2,838.84             |
|  | <u>13,645,166.77</u> | <u>13,062,942.77</u> |
| Total Revenue and Other Income Realized                          |                      |                      |
| Expenditures:  |                      |                      |
| Operations Within "CAPS":  |                      |                      |
| Salaries and Wages   | 1,968,880.00         | 1,866,141.16         |
| Other Expenses   | 1,874,578.00         | 1,784,743.84         |
| Deferred Charges and Statutory Expenditures Within "CAPS"        | 354,828.84           | 404,433.84           |
| Operations Excluded from "CAPS":                                 |                      |                      |
| Salaries and Wages   |                      |                      |
| Other Expenses   | 301,419.50           | 91,196.07            |
| Capital Improvements Excluded from "CAPS"                        | 20,000.00            | 10,000.00            |
| Municipal Debt Service Excluded from "CAPS"                      | 421,898.97           | 434,914.03           |
| Deferred Charges and Statutory Expenditures Excluded from "CAPS" |                      |                      |
| County Taxes   | 2,431,012.55         | 2,522,478.42         |
| Due County for Added Taxes                                       | 29,612.83            | 1,250.22             |
| Local School District Tax  | 5,874,483.00         | 5,659,595.00         |
| Interfund Created  | 14,914.96            |                      |
| Prior Year Tax Overpayments Created                              | 6,969.69             |                      |
| Prior Year Senior Citizens Disallowed                            |                      | 500.00               |
|  | <u>13,298,598.34</u> | <u>12,775,252.58</u> |
| Subtotal   |                      |                      |
| Less: Expenditures to be Raised by Future Taxes                  |                      |                      |
|  | <u>13,298,598.34</u> | <u>12,775,252.58</u> |
| Total Expenditures   |                      |                      |
| Statutory Excess to Fund Balance (Carried Forward)               | 346,568.43           | 287,690.19           |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

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|  | <u>2014</u>                 | <u>2013</u>                 |
|--|-----------------------------|-----------------------------|
| Statutory Excess to Fund Balance (Brought Forward) | \$ 346,568.43               | \$ 287,690.19               |
| Fund Balance January 1                             | <u>362,364.21</u>           | <u>312,174.02</u>           |
| Total  | 708,932.64                  | 599,864.21                  |
| Decreased by Utilization as Anticipated Revenue    | <u>235,000.00</u>           | <u>237,500.00</u>           |
| Fund Balance December 31                           | <u><u>\$ 473,932.64</u></u> | <u><u>\$ 362,364.21</u></u> |

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

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2014

|   | <u>BUDGET</u>          | <u>SPECIAL<br/>NJS 40A:4-87</u> | <u>REALIZED</u>        | <u>EXCESS<br/>(DEFICIT)</u> |
|---|------------------------|---------------------------------|------------------------|-----------------------------|
| Fund Balance Anticipated  | \$ 235,000.00          |                                 | \$ 235,000.00          |                             |
| Miscellaneous Revenues:   |                        |                                 |                        |                             |
| Local Revenues:   |                        |                                 |                        |                             |
| Licenses:   |                        |                                 |                        |                             |
| Alcoholic Beverage  | 3,000.00               |                                 | 3,930.00               | \$ 930.00                   |
| Other   | 8,000.00               |                                 | 4,161.68               | (3,838.32)                  |
| Fees and Permits  | 14,000.00              |                                 | 33,846.00              | 19,846.00                   |
| Fines and Costs:  |                        |                                 |                        |                             |
| Municipal Court   | 134,000.00             |                                 | 162,370.38             | 28,370.38                   |
| Interest and Costs on Taxes   | 45,000.00              |                                 | 58,435.64              | 13,435.64                   |
| Sewer Rents   | 230,000.00             |                                 | 235,445.33             | 5,445.33                    |
| Cable TV Franchise Fees   | 60,000.00              |                                 | 63,794.08              | 3,794.08                    |
| State Aid Without Offsetting Appropriations:  |                        |                                 |                        |                             |
| Consolidated Municipal Property Tax Relief Aid  | 27,391.00              |                                 | 27,391.00              |                             |
| Energy Receipts Tax   | 386,313.00             |                                 | 386,313.00             |                             |
| Uniform Construction Code   | 30,000.00              |                                 | 41,243.00              | 11,243.00                   |
| Shared Service Agreement  |                        |                                 |                        |                             |
| Borough of Runnemede  |                        |                                 |                        |                             |
| Trash Collection  | 26,310.00              |                                 | 56,380.05              | 30,070.05                   |
| Reserve for Debt Service  | 28,400.00              |                                 | 28,400.00              |                             |
| Billboard Lease   | 90,780.00              |                                 | 90,780.00              |                             |
| Special Items Offset with Appropriations:   |                        |                                 |                        |                             |
| Drunk Driving Enforcement Fund  | 2,657.31               | \$ 1,304.35                     | 3,961.66               |                             |
| Community Development Block Grant   | 4,000.00               |                                 | 4,000.00               |                             |
| NJ Transportation Trust Fund Authority Act  | 200,000.00             |                                 | 200,000.00             |                             |
| Body Armor Grant  |                        | 3,622.22                        | 3,622.22               |                             |
| Clean Communities Program   |                        | 7,990.62                        | 7,990.62               |                             |
| Alcohol Education Rehabilitation  |                        | 25,000.00                       | 25,000.00              |                             |
| Total   | <u>1,289,851.31</u>    | <u>37,917.19</u>                | <u>1,437,064.66</u>    | <u>109,296.16</u>           |
| Receipts from Delinquent Taxes  | 200,000.00             |                                 | 215,505.69             | 15,505.69                   |
| Amount to be Raised by Taxes for Support of<br>Municipal Budget -<br>Local Tax for Municipal Purposes | <u>3,479,796.00</u>    |                                 | <u>3,601,431.62</u>    | <u>121,635.62</u>           |
| Budget Totals   | 5,204,647.31           | 37,917.19                       | 5,489,001.97           | <u>246,437.47</u>           |
| Nonbudget Revenues  |                        |                                 | <u>81,261.02</u>       |                             |
| Total   | <u>\$ 5,204,647.31</u> | <u>\$ 37,917.19</u>             | <u>\$ 5,570,262.99</u> |                             |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2014

ANALYSIS OF REALIZED REVENUE

|  |                         |
|--|-------------------------|
| Allocation of Current Tax Collections:                 |                         |
| Revenue from Collections                               | \$ 11,647,191.84        |
| Allocated to School and County Taxes                   | <u>8,335,108.38</u>     |
| Balance for Support of Municipal Budget Appropriations | 3,312,083.46            |
| Add Appropriation - Reserve for Uncollected Taxes      | <u>289,348.16</u>       |
| Amount for Support of Municipal Budget Appropriations  | <u>\$ 3,601,431.62</u>  |
| <br>Receipts from Delinquent Taxes:                    |                         |
| Delinquent Tax Collections                             | <u>\$ 215,505.69</u>    |
| <br>Miscellaneous Revenue:                             |                         |
| Recycling  | 9,785.40                |
| Payment in Lieu of Taxes                               | 36,000.00               |
| Interest Earned on Investments                         | 7,450.69                |
| Sewer Interest and Costs                               | 8,963.12                |
| Photocopies  | 1,218.00                |
| Reimbursement  | 4,034.61                |
| Vets and Senior Citizen Administrative Fee             | 1,261.30                |
| DMV Fines  | 2,256.08                |
| Property Maintenance                                   | 4,324.89                |
| Tax Abatement Application                              | 1,875.00                |
| Site Plan  | 800.00                  |
| Sparrow Program  | 800.00                  |
| Proceeds of Auction                                    | 2,106.00                |
| Miscellaneous  | <u>385.93</u>           |
| <br>Total  | <br><u>\$ 81,261.02</u> |

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



**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2014

|   | Appropriations |                                      | Expended                   |                 | Unexpended<br>Balance<br>Canceled |
|---|----------------|--------------------------------------|----------------------------|-----------------|-----------------------------------|
|   | <u>Budget</u>  | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |                                   |
| <b>GENERAL APPROPRIATIONS:</b>              |                |                                      |                            |                 |                                   |
| <b>Operations Within "CAPS":</b>            |                |                                      |                            |                 |                                   |
| General Government:                         |                |                                      |                            |                 |                                   |
| Administrative and Executive:               |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | \$ 8,750.00    | \$ 8,750.00                          | \$ 7,749.96                | \$ 1,000.04     |                                   |
| Other Expenses                              | 3,200.00       | 3,200.00                             | 3,192.00                   | 8.00            |                                   |
| Municipal Clerk                             |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | 13,825.00      | 16,162.86                            | 16,162.86                  |                 |                                   |
| Other Expenses                              | 39,500.00      | 37,500.00                            | 34,625.06                  | 2,874.94        |                                   |
| Financial Administration:                   |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | 49,640.00      | 55,205.11                            | 55,205.11                  |                 |                                   |
| Other Expenses                              | 16,360.00      | 17,860.00                            | 16,740.62                  | 1,119.38        |                                   |
| Audit Services                              |                |                                      |                            |                 |                                   |
| Other Expenses                              | 25,000.00      | 25,000.00                            | 25,000.00                  |                 |                                   |
| Collection of Taxes:                        |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | 91,465.00      | 90,300.00                            | 90,299.64                  | 0.36            |                                   |
| Other Expenses                              | 11,000.00      | 9,500.00                             | 5,621.52                   | 3,878.48        |                                   |
| Liquidation of Tax Title Liens              |                |                                      |                            |                 |                                   |
| Other Expenses                              | 1,500.00       | 1,500.00                             | 1,079.40                   | 420.60          |                                   |
| Tax Assessment Administration               |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | 15,420.00      | 14,255.00                            | 14,253.80                  | 1.20            |                                   |
| Other Expenses                              | 2,350.00       | 2,350.00                             | 1,979.51                   | 370.49          |                                   |
| Legal Services and Costs                    |                |                                      |                            |                 |                                   |
| Other Expenses                              | 35,000.00      | 31,000.00                            | 25,247.93                  | 5,752.07        |                                   |
| Engineering Services and Costs              |                |                                      |                            |                 |                                   |
| Other Expenses                              | 20,000.00      | 20,000.00                            | 15,609.50                  | 4,390.50        |                                   |
| Municipal Land Use Law (N.J.S.A. 40:SSD-1): |                |                                      |                            |                 |                                   |
| Planning Board:                             |                |                                      |                            |                 |                                   |
| Salaries and Wages                          | 10,150.00      | 10,384.48                            | 10,384.48                  |                 |                                   |
| Other Expenses                              | 14,000.00      | 14,000.00                            | 8,564.67                   | 5,435.33        |                                   |
| Insurance:                                  |                |                                      |                            |                 |                                   |
| Group Insurance                             | 735,000.00     | 735,000.00                           | 735,000.00                 |                 |                                   |
| Liability Insurance                         | 109,390.00     | 109,390.00                           | 109,385.46                 | 4.54            |                                   |
| Workers Compensation                        | 102,950.00     | 102,950.00                           | 102,949.28                 | 0.72            |                                   |
| Health Benefit Waiver                       | 64,000.00      | 64,000.00                            | 63,112.59                  | 887.41          |                                   |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2014**

|  | <u>Appropriations</u> |                                      | <u>Expended</u>            |                 | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|--|-----------------------|--------------------------------------|----------------------------|-----------------|--|
|  | <u>Budget</u>         | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> |  |
| <b>GENERAL APPROPRIATIONS:</b>           |                       |                                      |                            |                 |  |
| <b>Operations Within "CAPS":</b>         |                       |                                      |                            |                 |  |
| Police                                   |                       |                                      |                            |                 |  |
| Salaries and Wages                       | \$ 1,213,620.00       | \$ 1,213,620.00                      | \$ 1,197,825.75            | \$ 15,794.25    |  |
| Other Expenses                           | 49,600.00             | 49,600.00                            | 45,056.00                  | 4,544.00        |  |
| Civil Defense and Disaster Control       |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 1,380.00              | 1,391.28                             | 1,391.28                   |                 |  |
| Other Expenses                           | 9,000.00              | 5,000.00                             | 3,875.46                   | 1,124.54        |  |
| Aid to Volunteer Fire Companies          |                       |                                      |                            |                 |  |
| Other Expenses                           | 49,000.00             | 49,000.00                            | 31,524.55                  | 17,475.45       |  |
| 14 First Aid Organization - Contribution | 15,000.00             | 15,000.00                            | 6,539.66                   | 8,460.34        |  |
| Fire Hydration Service (Water)           | 58,600.00             | 58,600.00                            | 55,555.35                  | 3,044.65        |  |
| Road Repairs and Maintenance             |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 190,000.00            | 220,490.19                           | 219,702.38                 | 787.81          |  |
| Other Expenses                           | 27,158.00             | 37,158.00                            | 34,624.39                  | 2,533.61        |  |
| Garbage and Trash Collection             |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 123,385.00            | 129,737.00                           | 129,737.00                 |                 |  |
| Other Expenses                           | 1,500.00              | 1,500.00                             | 1,138.76                   | 361.24          |  |
| Solid Waste Disposal                     |                       |                                      |                            |                 |  |
| Other Expenses                           | 100,000.00            | 100,000.00                           | 89,246.39                  | 10,753.61       |  |
| Public Buildings and Grounds             |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 100.00                | 100.00                               |                            | 100.00          |  |
| Other Expenses                           | 41,600.00             | 33,600.00                            | 26,620.32                  | 6,979.68        |  |
| Sewer System                             |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 80,000.00             | 35,000.00                            | 34,937.22                  | 62.78           |  |
| Other Expenses                           | 50,000.00             | 50,000.00                            | 42,236.32                  | 7,763.68        |  |
| Vehicle Maintenance                      |                       |                                      |                            |                 |  |
| Other Expenses                           | 41,000.00             | 51,000.00                            | 47,021.59                  | 3,978.41        |  |
| Health and Human Services                |                       |                                      |                            |                 |  |
| Registrar of Vital Statistics            |                       |                                      |                            |                 |  |
| Salaries and Wages                       | 2,050.00              | 2,073.84                             | 2,073.84                   |                 |  |
| Other Expenses                           | 650.00                | 50.00                                |                            | 50.00           |  |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

|  | Appropriations      |                                      | Expended                   |                   | Unexpended<br>Balance<br>Canceled |
|--|---------------------|--------------------------------------|----------------------------|-------------------|-----------------------------------|
|  | <u>Budget</u>       | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u>   |                                   |
| <b>GENERAL APPROPRIATIONS:</b>                               |                     |                                      |                            |                   |                                   |
| <b>Operations Within "CAPS":</b>                             |                     |                                      |                            |                   |                                   |
| Senior Citizen Transportation                                |                     |                                      |                            |                   |                                   |
| Other Expenses   | \$ 5,000.00         | \$ 5,000.00                          | \$ 1,875.00                | \$ 3,125.00       |                                   |
| Environmental Commission                                     |                     |                                      |                            |                   |                                   |
| Other Expenses   | 100.00              | 100.00                               |                            | 100.00            |                                   |
| Other Common Operating Functions                             |                     |                                      |                            |                   |                                   |
| Celebration of Public Event, Anniversary or Holiday          |                     |                                      |                            |                   |                                   |
| Other Expenses   | 2,000.00            | 2,000.00                             |                            | 2,000.00          |                                   |
| Utility and Bulk Purchases                                   |                     |                                      |                            |                   |                                   |
| Electricity  | 60,000.00           | 60,000.00                            | 59,301.78                  | 698.22            |                                   |
| Street Lights  | 60,000.00           | 60,000.00                            | 53,792.66                  | 6,207.34          |                                   |
| Telephone  | 27,500.00           | 27,500.00                            | 26,612.19                  | 887.81            |                                   |
| Fuel Oil   | 500.00              | 500.00                               |                            | 500.00            |                                   |
| Gasoline   | 77,105.00           | 77,105.00                            | 68,735.66                  | 8,369.34          |                                   |
| Sewer  | 2,500.00            | 2,500.00                             | 1,713.50                   | 786.50            |                                   |
| Municipal Court Functions                                    |                     |                                      |                            |                   |                                   |
| Municipal Court  |                     |                                      |                            |                   |                                   |
| Salaries and Wages   | 110,000.00          | 110,000.00                           | 101,070.41                 | 8,929.59          |                                   |
| Other Expenses   |                     |                                      |                            |                   |                                   |
| Uniform Construction Code                                    |                     |                                      |                            |                   |                                   |
| State Uniform Construction Code                              |                     |                                      |                            |                   |                                   |
| Construction Code Official                                   |                     |                                      |                            |                   |                                   |
| Salaries and Wages   | 52,305.00           | 53,104.92                            | 53,104.92                  |                   |                                   |
| Other Expenses   | 3,100.00            | 3,100.00                             | 2,490.44                   | 609.56            |                                   |
| Inspection of Rentals and Certification of Habitability      |                     |                                      |                            |                   |                                   |
| Salaries and Wages   | 6,690.00            | 6,805.32                             | 6,805.32                   |                   |                                   |
| Other Expenses   | 150.00              | 150.00                               |                            | 150.00            |                                   |
| Stormwater Regulation  |                     |                                      |                            |                   |                                   |
| Salaries and Wages   | 1,700.00            | 1,500.00                             | 915.70                     | 584.30            |                                   |
| Other Expenses   | 1,050.00            | 1,050.00                             |                            | 1,050.00          |                                   |
| Dog Regulation   |                     |                                      |                            |                   |                                   |
| Other Expenses   | 11,815.00           | 11,815.00                            | 1,500.00                   | 10,315.00         |                                   |
|  | <u>3,843,658.00</u> | <u>3,843,458.00</u>                  | <u>3,689,187.23</u>        | <u>154,270.77</u> |                                   |
| <b>Total Operations Including Contingent - Within "CAPS"</b> |                     |                                      |                            |                   |                                   |
| Detail:  |                     |                                      |                            |                   |                                   |
| Salaries and Wages   | 1,970,480.00        | 1,968,880.00                         | 1,941,619.67               | 27,260.33         |                                   |
| Other Expenses   | 1,873,178.00        | 1,874,578.00                         | 1,747,567.56               | 127,010.44        |                                   |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

|  | Appropriations      |                              | Expended            |                   | Unexpended<br>Balance<br>Canceled |
|--|---------------------|------------------------------|---------------------|-------------------|-----------------------------------|
|  | Budget              | Budget After<br>Modification | Paid or<br>Charged  | Reserved          |                                   |
| <b>Deferred Charges and Statutory Expenditures -<br/>Municipal - Within "CAPS":</b>    |                     |                              |                     |                   |                                   |
| DEFERRED CHARGES   |                     |                              |                     |                   |                                   |
| Deficit in Animal Control Fund   | \$ 1,506.84         | \$ 1,506.84                  | \$ 1,506.84         |                   |                                   |
| STATUTORY EXPENDITURES:  |                     |                              |                     |                   |                                   |
| Contribution to:   |                     |                              |                     |                   |                                   |
| Public Employees Retirement System   | 66,097.00           | 66,097.00                    | 66,097.00           |                   |                                   |
| Police & Fireman's Retirement System   | 206,225.00          | 206,225.00                   | 206,225.00          |                   |                                   |
| Defined Contribution Retirement System   | 1,000.00            | 1,000.00                     |                     | \$ 1,000.00       |                                   |
| Social Security System (O.A.S.I.)  | 75,000.00           | 78,500.00                    | 78,500.00           |                   |                                   |
| Unemployment Compensation Insurance  | 5,000.00            | 1,500.00                     | 959.93              | 540.07            |                                   |
| <b>Total Deferred Charges and Statutory Expenditures -<br/>Municipal Within "CAPS"</b> | <b>354,828.84</b>   | <b>354,828.84</b>            | <b>353,288.77</b>   | <b>1,540.07</b>   |                                   |
| <b>Total General Appropriations -<br/>For Municipal Purposes Within "CAPS"</b>         | <b>4,198,486.84</b> | <b>4,198,286.84</b>          | <b>4,042,476.00</b> | <b>155,810.84</b> |                                   |
| <b>GENERAL APPROPRIATIONS:</b>   |                     |                              |                     |                   |                                   |
| <b>Operations Excluded from "CAPS":</b>  |                     |                              |                     |                   |                                   |
| Recycling Tax  | 1,000.00            | 1,200.00                     | 1,182.30            | 17.70             |                                   |
| Group Health Insurance   |                     |                              |                     |                   |                                   |
| <b>Total Other Operations Excluded from "CAPS":</b>                                    | <b>1,000.00</b>     | <b>1,200.00</b>              | <b>1,182.30</b>     | <b>17.70</b>      |                                   |
| <b>Interlocal Municipal Service Agreements</b>   |                     |                              |                     |                   |                                   |
| Borough of Barrington  |                     |                              |                     |                   |                                   |
| Shared Truck Wash  |                     |                              |                     |                   |                                   |
| Other Expenses   | 4,000.00            | 2,453.30                     |                     | 2,453.30          |                                   |
| Borough of Barrington  |                     |                              |                     |                   |                                   |
| Municipal Clerk  |                     |                              |                     |                   |                                   |
| Other Expenses   | 25,335.00           | 25,335.00                    | 24,848.00           | 487.00            |                                   |
| Borough of Runnemede   |                     |                              |                     |                   |                                   |
| Shared Trash Collection  |                     |                              |                     |                   |                                   |
| Salaries & Wages   | 18,415.00           | 19,411.70                    | 19,411.70           |                   |                                   |
| Other Expenses   | 7,895.00            | 8,445.00                     | 8,438.28            | 6.72              |                                   |
| <b>Total Interlocal Municipal Service Agreements</b>                                   | <b>55,645.00</b>    | <b>55,645.00</b>             | <b>52,697.98</b>    | <b>2,947.02</b>   |                                   |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

|   | Appropriations       |                                      | Expended                   |                    | Unexpended<br>Balance<br>Canceled |
|---|----------------------|--------------------------------------|----------------------------|--------------------|-----------------------------------|
|   | <u>Budget</u>        | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u>    |                                   |
| <b>GENERAL APPROPRIATIONS:</b>                              |                      |                                      |                            |                    |                                   |
| <b>Operations Excluded from "CAPS":</b>                     |                      |                                      |                            |                    |                                   |
| <b>Public and Private Programs Offset by Revenues:</b>      |                      |                                      |                            |                    |                                   |
| Community Development Block Grant 35                        | \$ 4,000.00          | \$ 4,000.00                          | \$ 4,000.00                |                    |                                   |
| Drunk Driving Enforcement Fund                              | 2,657.31             | 3,961.66                             | 3,961.66                   |                    |                                   |
| New Jersey Transportation Trust Fund Authority Act          | 200,000.00           | 200,000.00                           | 200,000.00                 |                    |                                   |
| County Recreation Facilities Enhancement                    |                      | 25,000.00                            | 25,000.00                  |                    |                                   |
| Clean Communities Progm                                     |                      | 7,990.62                             | 7,990.62                   |                    |                                   |
| Body Armor Replacement Fund                                 |                      | 3,622.22                             | 3,622.22                   |                    |                                   |
|   | <u>206,657.31</u>    | <u>244,574.50</u>                    | <u>244,574.50</u>          |                    |                                   |
| <b>Total Public and Private Programs Offset by Revenues</b> | <u>206,657.31</u>    | <u>244,574.50</u>                    | <u>244,574.50</u>          |                    |                                   |
| <b>Total Operations - Excluded From "CAPS"</b>              | <u>\$ 263,302.31</u> | <u>301,419.50</u>                    | <u>298,454.78</u>          | <u>\$ 2,964.72</u> |                                   |
| Detail:   |                      |                                      |                            |                    |                                   |
| Salaries and Wages  | 18,415.00            |                                      |                            |                    |                                   |
| Other Expenses  | 244,887.31           | 301,419.50                           | 298,454.78                 | 2,964.72           |                                   |
| <b>GENERAL APPROPRIATIONS:</b>                              |                      |                                      |                            |                    |                                   |
| <b>Capital Improvements - Excluded From "CAPS"</b>          |                      |                                      |                            |                    |                                   |
| Capital Improvement Fund                                    | <u>20,000.00</u>     | <u>20,000.00</u>                     | <u>20,000.00</u>           |                    |                                   |
| <b>Total Capital Improvements - Excluded From "CAPS"</b>    | <u>20,000.00</u>     | <u>20,000.00</u>                     | <u>20,000.00</u>           |                    |                                   |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2014**

|   | <u>Appropriations</u>         |                                      | <u>Expended</u>               |                             | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|-------------------------------|--------------------------------------|-------------------------------|-----------------------------|--|
|   | <u>Budget</u>                 | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u>    | <u>Reserved</u>             |  |
| <b>Municipal Debt Service - Excluded From "CAPS"</b>                                |                               |                                      |                               |                             |  |
| Payment of Bond Principal   | \$ 110,000.00                 | \$ 110,000.00                        | \$ 110,000.00                 |                             |  |
| Payment of Bond Anticipation Notes and Capital Notes                                | 112,000.00                    | 112,000.00                           | 112,000.00                    |                             |  |
| Interest on Bonds   | 134,140.00                    | 134,140.00                           | 134,136.30                    |                             | \$ 3.70                                    |
| Interest on Notes   | 21,160.00                     | 21,160.00                            | 21,160.00                     |                             |  |
| Capital Lease Obligations Approved Prior to 7/1/07                                  |                               |                                      |                               |                             |  |
| Principal   | 33,000.00                     | 33,000.00                            | 33,000.00                     |                             |  |
| Interest  | 23,210.00                     | 23,210.00                            | 11,602.67                     |                             | 11,607.33                                  |
| <b>81 Total Municipal Debt Service - Excluded From "CAPS"</b>                       | <u>433,510.00</u>             | <u>433,510.00</u>                    | <u>421,898.97</u>             |                             | <u>11,611.03</u>                           |
| <b>Total General Appropriations for Municipal<br/>Purposes Excluded From "CAPS"</b> | <u>716,812.31</u>             | <u>754,929.50</u>                    | <u>740,353.75</u>             | <u>\$ 2,964.72</u>          | <u>11,611.03</u>                           |
| Subtotal General Appropriations   | 4,915,299.15                  | 4,953,216.34                         | 4,782,829.75                  | 158,775.56                  | 11,611.03                                  |
| Reserve for Uncollected Taxes   | 289,348.16                    | 289,348.16                           | 289,348.16                    |                             |  |
| <b>TOTAL GENERAL APPROPRIATIONS</b>   | <u><u>\$ 5,204,647.31</u></u> | <u><u>\$ 5,242,564.50</u></u>        | <u><u>\$ 5,072,177.91</u></u> | <u><u>\$ 158,775.56</u></u> | <u><u>\$ 11,611.03</u></u>                 |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

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Analysis of Budget After Modification:

|                           |                  |                        |
|---------------------------|------------------|------------------------|
| Original Budget           | \$ 5,204,647.31  |                        |
| By Appropriation 40A:4-87 | <u>37,917.19</u> |                        |
|                           |                  | <u>\$ 5,242,564.50</u> |

Analysis of Paid or Charged:

|   |                     |                            |
|---|---------------------|----------------------------|
| Reserve for Federal and State Grants - Appropriated | \$ 244,574.50       |                            |
| Reserve for Uncollected Taxes                       | 289,348.16          |                            |
| Reserve for Encumbrances                            | 62,756.60           |                            |
| Due to Federal and State Grant Fund                 | 11,474.65           |                            |
| Cash Disbursed                                      | <u>4,464,024.00</u> |                            |
| <br>Total   |                     | <br><u>\$ 5,072,177.91</u> |

**BOROUGH OF MOUNT EPHRAIM  
Trust Fund**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

|   | <u>REFERENCE</u> | <u>2014</u>          | <u>2013</u>          |
|---|------------------|----------------------|----------------------|
| <b><u>ASSETS</u></b>                    |                  |                      |                      |
| Animal Control Fund:                    |                  |                      |                      |
| Cash - Treasurer                        | B-1              | \$ 475.11            |                      |
| Deficit in Animal Control Fund          |                  |                      | \$ 1,506.84          |
| Total Animal Control Fund               |                  | <u>475.11</u>        | <u>1,506.84</u>      |
| Other Funds:                            |                  |                      |                      |
| Cash - Treasurer                        | B-1              | 210,553.18           | 156,344.12           |
| Due from Current Fund                   | A                | 57,190.53            | 57,190.53            |
| Accounts Receivable                     |                  | 1,844.89             | 2,372.71             |
| Total Other Funds                       |                  | <u>269,588.60</u>    | <u>215,907.36</u>    |
| Total Assets                            |                  | <u>\$ 270,063.71</u> | <u>\$ 217,414.20</u> |
| <b><u>LIABILITIES AND RESERVES</u></b>  |                  |                      |                      |
| Animal Control Fund:                    |                  |                      |                      |
| Deficit - Cash                          | B-1              |                      | \$ 888.56            |
| Due State of New Jersey                 |                  |                      | 1.20                 |
| Due Current Fund                        | A                |                      | 617.08               |
| Reserve for Animal Control Expenditures | B-2              | \$ 475.11            |                      |
| Total Animal Control Fund               |                  | <u>475.11</u>        | <u>1,506.84</u>      |
| Other Funds:                            |                  |                      |                      |
| Due Current Fund                        | A                | 30,156.61            | 23,389.04            |
| Reserve for :                           |                  |                      |                      |
| Unemployment Compensation               | B-3              | 309.24               | 3,218.33             |
| Escrow Trust Fund                       | B-4              | 101,161.40           | 95,236.48            |
| Law Enforcement - Forfeited Funds       | B-5              | 11,291.76            | 6,413.26             |
| Tax Title Lien Redemption Trust         | B-6              | 27,985.45            | 5,493.71             |
| Tax Sale Premiums                       | B-7              | 92,000.00            | 68,900.00            |
| Off Duty Police                         | B-8              | 1,903.25             | 7,475.13             |
| Public Defender Fees                    | B-9              | 4,627.11             | 5,593.82             |
| POAA Fees                               | B-10             | 83.05                | 67.05                |
| Police Donations                        | B-11             | 70.73                | 120.54               |
| Total Other Funds                       |                  | <u>269,588.60</u>    | <u>215,907.36</u>    |
| Total Liabilities and Reserves          |                  | <u>\$ 270,063.71</u> | <u>\$ 217,414.20</u> |

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



**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

|   | <u>REFERENCE</u> | <u>2014</u>            | <u>2013</u>            |
|---|------------------|------------------------|------------------------|
| <u>ASSETS</u>                                 |                  |                        |                        |
| Cash - Treasurer                              | C-2              | \$ -                   | \$ 59,628.89           |
| Due from Current Fund                         | A                |                        | 16,485.04              |
| Due from Federal and State Grant Fund         | A                | 1,009,940.80           | 1,044,940.80           |
| Due from Camden County Improvement Authority  |                  | 4,035.37               | 4,035.37               |
| Amount to be Provided by Lease                |                  | 466,000.00             | 508,000.00             |
| Deferred Charges to Future Taxation:          |                  |                        |                        |
| Funded  | C-4              | 2,500,000.00           | 2,610,000.00           |
| Unfunded                                      | C-5              | 2,787,235.00           | 2,452,235.00           |
| Total   |                  | <u>\$ 6,767,211.17</u> | <u>\$ 6,695,325.10</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> |                  |                        |                        |
| General Serial Bonds Payable                  | C-8              | \$ 2,500,000.00        | \$ 2,610,000.00        |
| Bond Anticipation Notes Payable               | C-9              | 2,340,235.00           | 2,452,235.00           |
| Obligations Under Capital Lease               | C-10             | 466,000.00             | 508,000.00             |
| Improvement Authorizations:                   |                  |                        |                        |
| Funded  | C-7              |                        |                        |
| Unfunded                                      | C-7              | 395,724.50             | 53,946.35              |
| Capital Improvement Fund                      | C-6              | 27,122.10              | 20,122.10              |
| Reserve for Bond Anticipation Notes           |                  | 1,022,571.85           | 1,050,971.85           |
| Due to Current Fund                           | A                | 15,507.92              |                        |
| Fund Balance                                  | C-1              | 49.80                  | 49.80                  |
| Total   |                  | <u>\$ 6,767,211.17</u> | <u>\$ 6,695,325.10</u> |

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

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
Statement of Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2014

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Balance December 31, 2013 and 2014

\$ 49.80

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



**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Borough of Mount Ephraim is located in Camden County, New Jersey. The present population according to the 2010 census is 4,676.

The Borough of Mount Ephraim was incorporated in 1926 and operates under a Commission form of government. There are three commissioners elected to four year terms. Each commissioner is selected to be Director of departments comprising the government.

Criteria for determining if other entities are potential component units which should be reported within the Borough's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600. The application of these criteria provides for identification of any entities for which the Borough is financially accountable and other organizations that the nature and significance of their relationship with the Borough are such that exclusion would cause the Borough's basic financial statements to be misleading or incomplete.

Based on the application of these criteria, there were no organizations that are considered to be component units.

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

In accordance with the "Requirements", the Borough accounts for its financial transactions through the use of separate funds which are described as follows.

**Current Fund** - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

**Budgets and Budgetary Accounting** - The Borough must adopt an annual budget for its Current Fund in accordance with N.J.S.A. 40A:4et 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 Borough. 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 the 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.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents, for all funds, include petty cash, change funds, 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. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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 utilities and other state agencies.

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

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

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

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

**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 Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000 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. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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 Assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 includes 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. No depreciation of general fixed assets is recorded.

**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 Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

**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 Borough 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 Balance included in the Current Fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**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 fiscal year. Lapsed appropriation reserves are recorded as income.

**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.

**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 are realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the Mount Ephraim Borough School District and the County of Camden. 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 Mount Ephraim Borough School District. Operations are 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.

**Borough of Mount Ephraim**  
**Notes to Financial Statements**  
**December 31, 2014**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**County Taxes** - The Borough is responsible for levying, collecting and remitting county taxes for the County of Camden. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

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

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Outstanding 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 bonds and notes are provided on the cash basis and interest on general capital indebtedness is on the cash basis.

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General 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.

**Interest on Delinquent Taxes** - It is the policy of the Borough to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after the due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31<sup>st</sup>, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

**Comparative Data** - Comparative total data for the prior year have been presented in the accompanying statements of assets, liabilities, reserves and fund balance and statement of operations in order to provide an understanding of changes in the Borough's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues - regulatory basis and the statement of expenditures - regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

**NOTE 2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality's deposits may not be recovered. Although the Municipality 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 Unit. Under the Act, the first \$250,000 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 trust funds such as salary withholdings or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality's amount on deposit of \$3,628,366 as of December 31, 2014, \$250,000 was insured under FDIC and the remaining balance of \$3,378,366 was collateralized under GUDPA.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**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 years.

| <u>Comparative Schedule of Tax Rates</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Total Tax Rate                           | \$ 6.743    | \$ 6.596    | \$ 6.512    | \$ 6.227    | \$ 6.055    |
| Apportionment of Tax Rate:               |             |             |             |             |             |
| Municipal                                | 1.990       | 1.938       | 1.893       | 1.731       | 1.732       |
| County                                   | 1.392       | 1.437       | 1.426       | 1.309       | 1.195       |
| Local School District                    | 3.361       | 3.221       | 3.193       | 3.187       | 3.128       |

| <u>Assessed Valuation</u> | <u>Amount</u>  |
|---------------------------|----------------|
| 2014                      | \$ 174,801,648 |
| 2013                      | 175,671,461    |
| 2012                      | 176,793,595    |
| 2011                      | 176,285,815    |
| 2010                      | 175,865,357    |

| <u>Comparison of Tax Levies and Collections</u> |                 |                    |                                  |
|---|-----------------|--------------------|----------------------------------|
| <u>Year Ended</u>                               | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
| 2014  | \$ 11,929,497   | \$ 11,647,192      | 97.63%                           |
| 2013  | 11,593,028      | 11,335,900         | 97.78                            |
| 2012  | 11,003,661      | 10,798,423         | 98.13                            |
| 2011  | 10,692,032      | 10,476,932         | 97.98                            |
| 2010  | 10,249,505      | 10,002,841         | 97.59                            |

**Delinquent Taxes and Tax Title Liens**

| <u>Year Ended</u> | <u>Tax Title Liens</u> | <u>Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| 2014              | \$ 78,335              | \$ 272,758              | \$ 351,093              | 2.94%                         |
| 2013              | 73,244                 | 216,545                 | 289,789                 | 2.49                          |
| 2012              | 67,826                 | 210,517                 | 278,343                 | 2.52                          |
| 2011              | 75,593                 | 189,431                 | 265,024                 | 2.47                          |
| 2010              | 66,225                 | 193,369                 | 259,594                 | 2.53                          |

The following comparison is made of the number of tax title liens receivable on December 31, of the last current year and previous four years.

| <u>Year Ended</u> | <u>Number</u> |
|-------------------|---------------|
| 2014              | 19            |
| 2013              | 19            |
| 2012              | 18            |
| 2011              | 23            |
| 2010              | 14            |



**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**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 valuation of such properties, for the current and previous four years was as follows:

| <u>Year Ended</u> | <u>Amount</u> |
|-------------------|---------------|
| 2014              | \$ 9,400      |
| 2013              | 9,400         |
| 2012              | 9,400         |
| 2011              | 9,400         |
| 2010              | 9,400         |

**NOTE 5. SEWER UTILITY LEVY**

The following is a five year comparison of certain statistical information relative to the sewer utility levy and collections for the current and previous four years.

| <u>Year Ended</u> | <u>Sewer Utility Levy</u> |                    | <u>Percentage<br/>of Collections</u> |
|-------------------|---------------------------|--------------------|--------------------------------------|
|                   | <u>Levy</u>               | <u>Collections</u> |                                      |
| 2014              | \$ 229,187                | \$ 214,998         | 93.81%                               |
| 2013              | 232,469                   | 212,022            | 91.20                                |
| 2012              | 231,224                   | 211,944            | 91.16                                |
| 2011              | 231,544                   | 215,598            | 93.11                                |
| 2010              | 114,344                   | 106,747            | 93.36                                |

**NOTE 6. FUND BALANCES APPROPRIATED**

The following schedule details 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.

| <u>Current Fund</u> | <u>Balance<br/>December 31</u> | <u>Utilized<br/>In Budget of<br/>Succeeding Year</u> | <u>Percentage<br/>of Fund<br/>Balance Used</u> |
|---------------------|--------------------------------|--|--|
| 2014                | \$ 473,933                     | \$ 235,000   | 49.59%   |
| 2013                | 362,364                        | 235,000  | 64.85  |
| 2012                | 312,174                        | 237,500  | 76.08  |
| 2011                | 259,955                        | 220,000  | 84.63  |
| 2010                | 408,616                        | 390,000  | 95.44  |

**NOTE 7. PENSION PLANS**

Substantially all of the Borough's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). 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 the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 7. PENSION PLANS (Continued)**

***Public Employees' Retirement System (PERS)***

The Public Employees' Retirement System was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, 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. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The Police and Firemen's Retirement System was established in 1944. The PFRS provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the PFRS are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Borough is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

|                             | <u>2014</u>      |                   | <u>2013</u>      |                   | <u>2012</u>      |                   |
|-----------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
|                             | <u>PERS</u>      | <u>PFRS</u>       | <u>PERS</u>      | <u>PFRS</u>       | <u>PERS</u>      | <u>PFRS</u>       |
| Normal Contribution         | \$ 19,546        | \$ 89,324         | \$ 18,697        | \$ 101,894        | \$ 21,543        | \$ 101,787        |
| Accrued Liability           | 45,446           | 109,350           | 44,705           | 134,843           | 43,086           | 114,553           |
| Total Regular Contributions | <u>64,992</u>    | <u>198,644</u>    | <u>63,402</u>    | <u>236,737</u>    | <u>64,629</u>    | <u>216,340</u>    |
| Non-Contributory Group      |                  |                   |                  |                   |                  |                   |
| Life Insurance              | 1,105            | 7,581             | 5,275            | 9,777             | 4,118            | 7,924             |
| Total Due                   | <u>\$ 66,097</u> | <u>\$ 206,225</u> | <u>\$ 68,677</u> | <u>\$ 246,514</u> | <u>\$ 68,747</u> | <u>\$ 224,264</u> |

***Defined Contribution Retirement Program (DCRP)***

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Divisions of Pensions and Benefits. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 7. PENSION PLANS (Continued)**

***Defined Contribution Retirement Program (DCRP) (Continued)***

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Borough's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

There were no Borough employees enrolled in the DCRP for the years ended December 31, 2014, 2013 and 2012.

**NOTE 8. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**Plan Description**

The Borough provides postretirement benefits other than pension benefits to active employees who retire from the Borough and meet certain eligibility criteria. These are known as other postemployment benefits (OPEB). OPEB include postemployment healthcare benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

An employee is eligible to receive postretirement health benefits through the Mount Ephraim Borough health plan by meeting the following criteria:

- For PBA, retire from active employment with Mount Ephraim Borough with at least 20 years of service.
- For all others, retire from active employment with Mount Ephraim Borough with at least 25 years of service.

**Disability Retirement**

**Eligibility**

An employee is eligible if the employee retires with a disability pension from a state administered retirement system.

**Funding Policy**

The obligations of the plan members, employers and other entities are established by action of the Borough pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and members varies depending on the applicable agreement. The Borough contributes enough money to the plan to satisfy current obligations on a pay-as you-go basis. The costs of administering the plan are paid by the Borough.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 8. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Annual OPEB Cost and Net OPEB Obligation**

The Borough's annual post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The Borough has engaged an actuary to calculate the ARC and related information per the provisions of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Borough's annual OPEB cost for the year, the amount actually contributed to the plan, and the Borough's net OPEB obligation to the Retiree Health Plan at December 31, 2014:

| <u>Annual OPEB Cost</u>                              | <u>Year Ending<br/>December 31, 2014</u> |
|--|--|
| Normal Cost  | \$ 748,622                               |
| Amortization of Unfunded Actuarial Accrued Liability | 1,484,937                                |
| Annual Required Contribution (ARC)                   | <u>2,233,559</u>                         |
| Interest on OPEB Obligation                          | -  |
| Adjustment to ARC                                    | -  |
| OPEB Expense   | <u>2,233,559</u>                         |
| Net OPEB contributions made during the fiscal year   | <u>                    </u>              |
| Net OPEB obligation at end of year                   | <u>\$ 2,233,559</u>                      |

**Funded Status and Funding Progress**

As of December 31, 2014 the actuarial accrued liability for benefits was \$24,187,970, based upon a discount rate of 4.50%, all of which was unfunded.

The projection of future benefit payments for an ongoing plan involves 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.

**Methods and Assumptions**

The trend assumption is used to project the growth of the expected claims over the lifetime of the healthcare recipients. The actuary developed the trend assumption utilizing the short term rates expected on the SHBP plan along with information in published papers from other industry experts (actuaries, health economists, etc.).

**NOTE 9. COMPENSATED ABSENCES**

Full-time employees are entitled to fifteen paid sick leave days each year. Permanent part-time employees are entitled to sick leave on a prorated basis. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may not be accumulated and carried forward.

The Borough compensates employees for unused sick leave upon termination or retirement. The current policy provides that all employees may sell their sick time accumulated.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2014, accrued benefits for compensated absences are valued at \$481,048.

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 10. RISK MANAGEMENT**

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

**Joint Insurance Fund** - The Borough is a member of the Camden County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund (MEL). These Funds provide the Borough with coverage for property and contents, auto and general liability, workers compensation, employee dishonesty, crime, public officials liability, and environmental legal liability.

**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, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous four years:

| <u>Year</u> | <u>Employee Withholdings</u> | <u>Interest Earned</u> | <u>Other Income</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|------------------------------|------------------------|---------------------|--------------------------|-----------------------|
| 2014        | \$ 2,812                     | \$ 2                   |                     | \$ 5,723                 | \$ 309                |
| 2013        | 2,444                        | 3                      | 2,000               | 5,746                    | 3,218                 |
| 2012        | 2,651                        | 10                     | 7,302               | 8,773                    | 4,517                 |
| 2011        | 2,574                        | 45                     | 3,000               | 9,350                    | 3,327                 |
| 2010        | 3,127                        | 67                     | 6,425               | 4,812                    | 7,058                 |

**NOTE 11. CAPITAL DEBT**

**Summary of Municipal Debt**

|  | <u>2014</u>         | <u>2013</u>         | <u>2012</u>         |
|--|---------------------|---------------------|---------------------|
| Issued:  |                     |                     |                     |
| General Bonds and Notes                                  | \$ 5,287,235        | \$ 5,062,235        | \$ 5,089,235        |
| Net Debt Issued  | <u>5,287,235</u>    | <u>5,062,235</u>    | <u>5,089,185</u>    |
| Authorized But Not Issued:                               |                     |                     |                     |
| General - Bonds and Notes                                |                     |                     | 190,000             |
| Net Bonds and Notes Issued and Authorized But Not Issued | <u>\$ 5,287,235</u> | <u>\$ 5,062,235</u> | <u>\$ 5,279,235</u> |

**Serial Bonds Payable**

Serial Bonds are authorized in accordance with State law. All bonds are retired in serial installments within the statutory period of usefulness. Serial Bonds payable at December 31, 2014 consisted of the following issue:

| <u>Purpose</u>                   | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Amount</u>       |
|----------------------------------|-------------------------|----------------------|---------------------|
| Guaranteed Revenue Bonds of 2010 | 5/01/2025               | 5.25% - 6.00%        | <u>\$ 2,500,000</u> |

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 11. CAPITAL DEBT (Continued)**

**Bond Anticipation Notes Payable**

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the Notes can not exceed one year from the date of issuance, however the Notes may be renewed from time to time for a period not to exceed one year. Generally, such Notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original Notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original Note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such Notes were issued be paid or retired. A second and third legal installment must be paid if the Notes are to be renewed beyond the forth and fifth anniversary date of the original issuance.

As of December 31, 2014, the Borough had outstanding bond anticipation notes as follows:

| <u>Fund</u>     | <u>Amount Outstanding</u> | <u>Interest Rate</u> | <u>Maturity Date</u> |
|-----------------|---------------------------|----------------------|----------------------|
| General Capital | \$ 2,340,235              | .89%                 | July 9, 2015         |

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.848%.

|                            | <u>Gross Debt</u>    | <u>Deductions</u>           | <u>Net Debt</u>     |
|----------------------------|----------------------|-----------------------------|---------------------|
| Local School District Debt | \$ 6,180,000         | \$ 6,180,000                |                     |
| General Debt               | <u>5,287,235</u>     | <u>                    </u> | \$ <u>5,287,235</u> |
| Total                      | <u>\$ 11,467,235</u> | <u>\$ 6,180,000</u>         | <u>\$ 5,287,235</u> |

Net Debt, \$5,287,235 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$286,134,143 equals 1.848%.

**Equalized Valuation Basis:**

|         |                       |
|---------|-----------------------|
| 2012    | \$ 305,845,314        |
| 2013    | 285,916,069           |
| 2014    | <u>266,641,045</u>    |
| Average | <u>\$ 286,134,143</u> |

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

|   |                     |
|---|---------------------|
| 3-1/2% of Equalized Valuation Basis (Municipal) | \$ 10,014,695       |
| Net Debt  | <u>5,287,235</u>    |
| Remaining Borrowing Power                       | <u>\$ 4,727,460</u> |

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 11. CAPITAL DEBT (Continued)**

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

**Serial Bonds Payable**

| <u>Calendar<br/>Year</u> | <u>General</u>      |                     | <u>Total</u>        |
|--------------------------|---------------------|---------------------|---------------------|
|                          | <u>Principal</u>    | <u>Interest</u>     |                     |
| 2015                     | \$ 120,000          | \$ 128,100          | \$ 248,100          |
| 2016                     | 125,000             | 121,669             | 246,669             |
| 2017                     | 130,000             | 114,975             | 244,975             |
| 2018                     | 140,000             | 107,887             | 247,887             |
| 2019                     | 140,000             | 107,149             | 247,149             |
| 2020-2024                | 785,000             | 440,850             | 1,225,850           |
| 2025-2029                | <u>1,060,000</u>    | <u>167,100</u>      | <u>1,227,100</u>    |
| Total                    | <u>\$ 2,500,000</u> | <u>\$ 1,187,730</u> | <u>\$ 3,687,730</u> |

**NOTE 12. LEASE OBLIGATIONS**

The Borough has a lease agreement in effect at December 31, 2014 for various capital improvements and one police vehicle.

Future minimum lease payments under the capital lease agreements are as follows:

| <u>Calendar<br/>Year</u> | <u>General</u>    |                   | <u>Total</u>   |
|--------------------------|-------------------|-------------------|----------------|
|                          | <u>Principal</u>  | <u>Interest</u>   |                |
| 2015                     | \$ 46,501         | \$ 19,883         | \$ 66,384      |
| 2016                     | 51,314            | 17,395            | 68,709         |
| 2017                     | 37,000            | 15,390            | 52,390         |
| 2018                     | 40,000            | 14,280            | 54,280         |
| 2019                     | 43,000            | 12,680            | 55,680         |
| 2020-24                  | 224,000           | 37,440            | 261,440        |
| 2025                     | <u>50,000</u>     | <u>2,000</u>      | <u>52,000</u>  |
| Total                    | <u>\$ 491,815</u> | <u>\$ 119,068</u> | <u>610,883</u> |

**NOTE 13. 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, 2014.

| <u>Fund</u>                  | <u>Interfunds<br/>Receivable</u> | <u>Interfunds<br/>Payable</u> |
|------------------------------|----------------------------------|-------------------------------|
| Current Fund                 | \$ 98,102                        | \$ 83,850                     |
| Federal and State Grant Fund | 26,660                           | 1,062,378                     |
| Animal Control Fund          |                                  |                               |
| Other Trust Funds            | 57,190                           | 30,157                        |
| General Capital Fund         | <u>1,009,941</u>                 | <u>15,508</u>                 |
|                              | <u>\$ 1,191,893</u>              | <u>\$ 1,191,893</u>           |

**Borough of Mount Ephraim  
Notes to Financial Statements  
December 31, 2014**

**NOTE 14. CONTINGENCIES**

The Borough participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.



**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Statement of Cash - Treasurer  
For the Year Ended December 31, 2014

|   | <u>CURRENT FUND</u>  | <u>FEDERAL AND STATE<br/>GRANT FUND</u> |
|---|----------------------|---|
| Balance December 31, 2013   | \$ 665,236.68        | \$ 1,233,469.73                         |
| Receipts:   |                      |   |
| Taxes Receivable  | \$ 11,757,698.38     |   |
| Prepaid Taxes   | 39,074.40            |   |
| Tax Overpayments  | 10,223.81            |   |
| Revenue Accounts Receivable   | 928,644.83           |   |
| Sewer Rent Charges  | 234,756.40           |   |
| Sewer Rent Overpayments   | 1,073.34             |   |
| Due State of New Jersey:  |                      |   |
| Marriage License Fees   | 775.00               |   |
| UCC Fees  | 3,075.00             |   |
| Due from State of New Jersey for Senior<br>Citizens and Veterans Deductions | 61,326.37            |   |
| Miscellaneous Revenues Not Anticipated                                      | 81,261.02            |   |
| Budget Refunds  | 238,867.36           |   |
| Contra  | 145,633.80           |   |
| Federal and State Grants Receivable   |                      | \$ 27,783.48                            |
| Total Receipts  | <u>13,502,409.71</u> | <u>27,783.48</u>                        |
| Sub-Total   | 14,167,646.39        | 1,261,253.21                            |
| Disbursements:  |                      |   |
| 2014 Appropriations   | 4,464,024.00         |   |
| 2013 Appropriation Reserves   | 120,383.63           |   |
| Encumbrances Payable  |                      | 2,106.14                                |
| County Taxes  | 2,432,262.77         |   |
| Local School Taxes Payable  | 5,874,482.50         |   |
| Due State of New Jersey:  |                      |   |
| Marriage License Fees   | 725.00               |   |
| UCC Fees  | 2,070.00             |   |
| Reserve for Revaluation   | 73,140.66            |   |
| Due from Current Fund   |                      | 11,474.65                               |
| Due to General Capital Fund   |                      | 35,000.00                               |
| Due from Other Trust Fund   | 3,000.00             |   |
| Budget Refunds  | 238,867.36           |   |
| Contra  | 145,633.80           |   |
| Federal and State Appropriated Reserves                                     |                      | <u>240,160.51</u>                       |
| Total Disbursements   | <u>13,354,589.72</u> | <u>288,741.30</u>                       |
| Balance December 31, 2014   | <u>\$ 813,056.67</u> | <u>\$ 972,511.91</u>                    |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Schedule of Change Fund  
For the Year Ended December 31, 2014

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|                                    |                  |
|------------------------------------|------------------|
| Balance December 31, 2013 and 2014 | \$ <u>150.00</u> |
|------------------------------------|------------------|

Schedule of Due to State of New Jersey  
for Senior Citizens and Veterans Deductions  
For the Year Ended December 31, 2014

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|   |                 |                    |
|---|-----------------|--------------------|
| Balance December 31, 2013                                   |                 | \$ 2,777.28        |
| Increased by:   |                 |                    |
| Senior Citizen Deductions per Duplicate                     | \$ 14,500.00    |                    |
| Veterans Deductions per Duplicate                           | 49,250.00       |                    |
| Senior Citizen and Veterans Deductions Allowed by Collector | <u>1,500.00</u> |                    |
| Subtotal  | 65,250.00       |                    |
| Less - Disallowed Senior Citizens and veterans Deductions   | <u>5,559.93</u> | <u>59,690.07</u>   |
| Subtotal  |                 | 62,467.35          |
| Increased by:   |                 |                    |
| Collected   |                 | <u>61,326.37</u>   |
| Balance December 31, 2014                                   |                 | \$ <u>1,140.98</u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2014

| Year     | Balance       | 2014 Levy        | Added Taxes | COLLECTIONS BY CASH |                  | State Share of 2014 Senior Citizens and Veterans Deductions Allowed | Overpayments Applied | Transferred to Tax Title Lien | Canceled    | Balance       |
|----------|---------------|------------------|-------------|---------------------|------------------|---|----------------------|-------------------------------|-------------|---------------|
|          | Dec. 31. 2013 |                  |             | 2013                | 2014             |   |                      |                               |             | Dec. 31. 2014 |
| 2013     | \$ 216,545.19 |                  |             |                     | \$ 215,505.69    |   |                      |                               | \$ 2.47     | \$ 1,037.03   |
| Subtotal | 216,545.19    |                  |             |                     | 215,505.69       |   |                      |                               | 2.47        | 1,037.03      |
| 2014     |               | \$ 11,929,496.63 |             | \$ 45,309.08        | 11,542,192.69    | \$ 59,690.07  | \$ -                 | \$ 5,090.97                   | 5,493.24    | 271,720.58    |
| Total    | \$ 216,545.19 | \$ 11,929,496.63 | \$ -        | \$ 45,309.08        | \$ 11,757,698.38 | \$ 59,690.07  | \$ -                 | \$ 5,090.97                   | \$ 5,495.71 | \$ 272,757.61 |

**Analysis of Property Tax Levy**

|   |                 |                         |
|---|-----------------|-------------------------|
| Tax Yield:  |                 |                         |
| General Purpose Tax   |                 | \$ 11,723,125.71        |
| Added Taxes   |                 | 142,620.92              |
| Senior Citizens and Veterans Deductions Allowed Per Original Levy |                 | 63,750.00               |
| <b>Total</b>  |                 | <b>\$ 11,929,496.63</b> |
| Tax Levy:   |                 |                         |
| Local School Tax (Abstract)                                       |                 | \$ 5,874,483.00         |
| County Tax (Abstract)   | \$ 2,232,974.48 |                         |
| County Library Tax (Abstract)                                     | 140,932.67      |                         |
| County Open Space Tax (Abstract)                                  | 57,105.40       |                         |
| County Added Taxes  | 29,612.83       | 2,460,625.38            |
| Local Tax for Municipal Purposes                                  | 3,479,796.00    |                         |
| Additional Tax Levies   | 114,592.25      |                         |
|   |                 | <b>3,594,388.25</b>     |
| <b>Total</b>  |                 | <b>\$ 11,929,496.63</b> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Tax Title Liens Receivable  
 For the Year Ended December 31, 2014

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|                                 |              |
|---------------------------------|--------------|
| Balance December 31, 2013       | \$ 73,244.21 |
| Increased by:                   |              |
| Transfers from Taxes Receivable | 5,090.97     |
|                                 | 78,335.18    |
| Decreased by:                   |              |
| Collected                       | _____        |
| Balance December 31, 2014       | \$ 78,335.18 |

Schedule of Property Acquired for Taxes  
 For the Year Ended December 31, 2014

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|                                    |             |
|------------------------------------|-------------|
| Balance December 31, 2013 and 2014 | \$ 9,400.00 |
|------------------------------------|-------------|

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
Schedule of Sewer Service Charges Receivable  
For the Year Ended December 31, 2014

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|                           |               |                            |
|---------------------------|---------------|----------------------------|
| Balance December 31, 2013 |               | \$ 20,447.22               |
| Increased by:             |               |                            |
| 2014 Billings             |               | <u>229,186.83</u>          |
|                           |               | 249,634.05                 |
| Decreased by:             |               |                            |
| 2014 Collections          | \$ 234,756.40 |                            |
| Overpayments Applied      | <u>688.93</u> | <u>235,445.33</u>          |
| Balance December 31, 2014 |               | <u><u>\$ 14,188.72</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Revenue Accounts Receivable  
 For the Year Ended December 31, 2014

|  | <u>Balance</u><br><u>Dec. 31, 2013</u> | <u>Accrued in</u><br><u>2014</u> | <u>Collected</u><br><u>By</u><br><u>Treasurer</u> | <u>Balance</u><br><u>Dec. 31, 2014</u> |
|--|--|----------------------------------|---|--|
| Alcoholic Beverage Licenses                    |  | \$ 3,930.00                      | \$ 3,930.00                                       |  |
| Other Licenses                                 |  | 4,161.68                         | 4,161.68  |  |
| Fees and Permits                               |  | 33,846.00                        | 33,846.00   |  |
| Municipal Court - Fines and Costs              | \$ 11,998.16                           | 164,730.83                       | 162,370.38  | \$ 14,358.61                           |
| Interest and Costs on Taxes                    |  | 58,435.64                        | 58,435.64   |  |
| Cable TV Franchise Fees                        |  | 63,794.08                        | 63,794.08   |  |
| Consolidated Municipal Property Tax Relief     |  | 27,391.00                        | 27,391.00   |  |
| Energy Receipts Tax                            |  | 386,313.00                       | 386,313.00  |  |
| Uniform Construction Code                      |  | 41,243.00                        | 41,243.00   |  |
| Shared Services Agreement - Bellmawr/Runnemede |  | 56,380.05                        | 56,380.05   |  |
| Billboard Lease                                |  | 90,780.00                        | 90,780.00   |  |
|  |  | <u>                    </u>      | <u>                    </u>                       |  |
| Total  | <u>\$ 11,998.16</u>                    | <u>\$ 931,005.28</u>             | <u>\$ 928,644.83</u>                              | <u>\$ 14,358.61</u>                    |



**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Statement of Deferred Charges  
 N.J.S. 40A:4-55 Special Emergency Authorizations  
 For the Year Ended December 31, 2014

| <u>Purpose</u> | <u>Date Authorized</u> | <u>Amount Authorized</u> | <u>Balance December 31, 2013</u> | <u>Added in 2014</u> | <u>Raised in 2014 Budget</u> | <u>Balance December 31, 2014</u> |
|----------------|------------------------|--------------------------|----------------------------------|----------------------|------------------------------|----------------------------------|
| Revaluation    | 4/3/2014               | \$85,000.00              | \$ -                             | \$ 85,000.00         | \$ -                         | \$ 85,000.00                     |
| Total          |                        |                          | <u>\$ -</u>                      | <u>\$ 85,000.00</u>  | <u>\$ -</u>                  | <u>\$ 85,000.00</u>              |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
**Schedule of 2013 Appropriation Reserves**  
**For the Year Ended December 31, 2014**

|  | Balance<br>Dec. 31, 2013 | Encumbrances<br>Dec. 31, 2013 | Balance<br>after Transfers | Disbursed            | Balance<br>Lapsed   |
|--|--------------------------|-------------------------------|----------------------------|----------------------|---------------------|
| <b>Salary and Wages - Within Caps</b>                |                          |                               |                            |                      |                     |
| Municipal Court's Office                             | \$ 24,200.97             | \$ -                          | \$ 28,579.62               | \$ 28,579.62         | \$ -                |
| Public Buildings and Grounds                         | 100.00                   |                               |                            |                      |                     |
| Registrar of Vital Statistics                        | 177.12                   |                               |                            |                      |                     |
| Subtotal   | <u>24,478.09</u>         |                               | <u>28,579.62</u>           | <u>28,579.62</u>     | <u>-</u>            |
| <b>Other Expenses - Within Caps</b>                  |                          |                               |                            |                      |                     |
| Administrative and Executive                         | 29.00                    |                               | 29.00                      | 29.00                |                     |
| Municipal Clerk's Office                             | 1,160.42                 | 515.99                        | 1,676.41                   | 1,676.41             |                     |
| Financial Administration                             | 732.76                   | 455.66                        | 1,188.42                   | 859.45               | 328.97              |
| Collection of Taxes                                  | 579.30                   | 70.00                         | 649.30                     | 233.00               | 416.30              |
| Tax Assessment Administration                        | 223.82                   |                               | 223.82                     |                      | 223.82              |
| Legal Services and Costs                             | 2,689.08                 | 1,927.32                      | 4,616.40                   | 1,927.32             | 2,689.08            |
| Engineering Services and Costs                       | 4,889.35                 | 7,543.86                      | 12,433.21                  | 10,866.25            | 1,566.96            |
| Planning Board                                       | 5,290.40                 | 5,853.03                      | 10,504.95                  | 6,243.03             | 4,261.92            |
| Insurance  |                          |                               |                            |                      |                     |
| Group Insurance                                      | 3,622.50                 |                               | 3,622.50                   |                      | 3,622.50            |
| Police   | 1,612.90                 | 657.73                        | 1,848.13                   | 1,848.13             |                     |
| Aid to Volunteer Fire Companies                      | -                        | 18,812.80                     | 18,812.80                  | 18,752.80            | 60.00               |
| First Aid Organization Contribution                  | 199.98                   | 228.16                        | 428.14                     | 363.66               | 64.48               |
| Fire Hydrant Service                                 | 9,355.18                 |                               | 9,355.18                   | 4,644.12             | 4,711.06            |
| Road Repairs & Maintenance                           | 1,463.37                 | 2,119.63                      | 2,313.08                   | 2,313.08             |                     |
| Garbage and Trash Removal                            | 729.10                   | 127.93                        | 127.93                     | 127.93               |                     |
| Solid Waste Disposal                                 | 4,370.88                 | 2,846.42                      | 13,573.09                  | 13,469.50            | 103.59              |
| Public Buildings and Grounds                         | 478.35                   | 1,294.58                      | 1,775.38                   | 1,575.38             | 200.00              |
| Sewer System   | 607.00                   | 750.00                        | 1,357.00                   | 779.64               | 577.36              |
| Borough Vehicle Maintenance                          | 819.17                   | 3,434.78                      | 4,815.16                   | 4,815.16             |                     |
| Registrar of Vital Statistics                        | 650.00                   |                               |                            |                      |                     |
| Recreation Services and Programs                     | 623.69                   |                               | 623.69                     |                      | 623.69              |
| Senior Citizen Transportation                        | 3,000.00                 |                               | 3,000.00                   |                      | 3,000.00            |
| Environmental Commission                             | 100.00                   |                               |                            |                      |                     |
| Celebration of Public Event, Anniversary, or Holiday | 885.00                   |                               | 885.00                     |                      | 885.00              |
| Utilities:   |                          |                               |                            |                      |                     |
| Electricity  | 5,315.28                 |                               | 7,155.39                   | 7,155.39             |                     |
| Street Lights  | 56.41                    |                               | 4,218.06                   | 4,218.06             |                     |
| Telephone  | 384.42                   | 162.76                        | 547.18                     | 269.73               | 277.45              |
| Fuel Oil   | 500.00                   |                               | 500.00                     |                      | 500.00              |
| Gasoline   | 3,834.97                 | 5,713.57                      | 8,737.09                   | 8,737.09             |                     |
| Sewer  | 751.75                   |                               | 751.75                     | 593.25               | 158.50              |
| State Uniform Construction Code                      | 126.49                   |                               | 126.49                     |                      | 126.49              |
| Inspection of Rentals and Certification              | 150.00                   |                               | 150.00                     |                      | 150.00              |
| Statutory Expenditures                               |                          |                               |                            |                      |                     |
| Social Security System                               | 4,833.20                 |                               |                            |                      |                     |
| Unemployment Compensation Insurance                  | 5,279.31                 | 2,362.42                      | -                          |                      |                     |
| Subtotal   | <u>65,343.08</u>         | <u>54,876.64</u>              | <u>116,044.55</u>          | <u>91,497.38</u>     | <u>24,547.17</u>    |
| <b>Other Expenses - Excluded from Caps</b>           |                          |                               |                            |                      |                     |
| Recycling Tax  | 95.26                    | 137.73                        | 306.63                     | 306.63               |                     |
| Subtotal   | <u>95.26</u>             | <u>137.73</u>                 | <u>306.63</u>              | <u>306.63</u>        | <u>-</u>            |
| Salary and Wage Accounts                             | <u>2,346.39</u>          |                               | <u>2,346.39</u>            |                      | <u>2,346.39</u>     |
| Grand Total  | <u>\$ 92,262.82</u>      | <u>\$ 55,014.37</u>           | <u>\$ 147,277.19</u>       | <u>\$ 120,383.63</u> | <u>\$ 26,893.56</u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Tax Overpayments  
 For the Year Ended December 31, 2014

---

|                                     |                 |                             |
|-------------------------------------|-----------------|-----------------------------|
| Balance December 31, 2013           |                 | \$ 2,670.19                 |
| Increased by:                       |                 |                             |
| Collected                           | \$ 10,223.81    |                             |
| Prior Year Tax Overpayments Created | <u>6,969.69</u> | <u>17,193.50</u>            |
| Subtotal                            |                 | 19,863.69                   |
| Decreased by:                       |                 |                             |
| Refunds                             |                 | <u>                    </u> |
| Balance December 31, 2014           |                 | <u><u>\$ 19,863.69</u></u>  |

Schedule of Prepaid Taxes  
 For the Year Ended December 31, 2014

---

|                           |  |                            |
|---------------------------|--|----------------------------|
| Balance December 31, 2013 |  | \$ 45,309.08               |
| Increased by:             |  |                            |
| Collected                 |  | <u>39,074.40</u>           |
| Subtotal                  |  | 84,383.48                  |
| Decreased by:             |  |                            |
| Applied to 2014 Taxes     |  | <u>45,309.08</u>           |
| Balance December 31, 2014 |  | <u><u>\$ 39,074.40</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Local School Taxes Payable  
 For the Year Ended December 31, 2014

---

|                                    |    |              |
|------------------------------------|----|--------------|
| Balance December 31, 2013          | \$ | -            |
| Increased by:                      |    |              |
| Levy: Calendar Year 2014           |    | 5,874,483.00 |
| Subtotal                           |    | 5,874,483.00 |
| Decreased by:                      |    |              |
| Disbursed to Local School District |    | 5,874,482.50 |
| Balance December 31, 2014          | \$ | 0.50         |

Exhibit A-17

Schedule of County Taxes Payable  
 For the Year Ended December 31, 2014

---

|                               |                 |              |
|-------------------------------|-----------------|--------------|
| Balance December 31, 2013     | \$              | 1,250.22     |
| Increased by:                 |                 |              |
| 2014 Levy:                    |                 |              |
| General County                | \$ 2,232,974.48 |              |
| County Library                | 140,932.67      |              |
| County Open Space             | 57,105.40       |              |
| Added and Omitted Taxes       | 29,612.83       |              |
| Subtotal                      |                 | 2,460,625.38 |
|                               |                 | 2,461,875.60 |
| Decreased by:                 |                 |              |
| Disbursed to County of Camden |                 | 2,432,262.77 |
| Balance December 31, 2014     | \$              | 29,612.83    |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Sewer Rent Overpayments  
 For the Year Ended December 31, 2014

---

|                                   |    |          |
|-----------------------------------|----|----------|
| Balance December 31, 2013         | \$ | 688.93   |
| Increased by:                     |    |          |
| Collected                         |    | 1,073.34 |
| Subtotal                          |    | 1,762.27 |
| Decreased by:                     |    |          |
| Applied to Sewer Rents Receivable |    | 688.93   |
| Balance December 31, 2014         | \$ | 1,073.34 |

EXHIBIT A-19

Schedule of Due to State of New Jersey  
 for Marriage License Fees  
 For the Year Ended December 31, 2014

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|  |    |        |
|--|----|--------|
| Balance December 31, 2013                    | \$ | 100.00 |
| Increased by:                                |    |        |
| State Portion of 2014 Marriage Licenses Fees |    | 775.00 |
| Subtotal                                     |    | 875.00 |
| Decreased by:                                |    |        |
| Disbursed to State of New Jersey             |    | 725.00 |
| Balance December 31, 2014                    | \$ | 150.00 |

**BOROUGH OF MOUNT EPHRAIM**  
**Current Fund**  
 Schedule of Due to State of NJ - UCC Fees  
 For the Year Ended December 31, 2014

---

|                           |                           |
|---------------------------|---------------------------|
| Balance December 31, 2013 | \$ 322.00                 |
| Increased by:             |                           |
| Cash Received             | <u>3,075.00</u>           |
|                           | 3,397.00                  |
| Decreased by:             |                           |
| Cash Disbursed            | <u>2,070.00</u>           |
| Balance December 31, 2014 | <u><u>\$ 1,327.00</u></u> |

EXHIBIT A-21

Schedule of Reserve for Revaluation  
 For the Year Ended December 31, 2014

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|                                 |                            |
|---------------------------------|----------------------------|
| Balance December 31, 2013       | \$ -                       |
| Increased by:                   |                            |
| Special Emergency Authorization | <u>85,000.00</u>           |
|                                 | 85,000.00                  |
| Decreased by:                   |                            |
| Cash Disbursed                  | <u>73,140.66</u>           |
| Balance December 31, 2014       | <u><u>\$ 11,859.34</u></u> |

EXHIBIT A-22

Schedule of Reserve For Codification of Ordinances  
 For the Year Ended December 31, 2014

---

|                           |                            |
|---------------------------|----------------------------|
| Balance December 31, 2013 | \$ 17,071.50               |
| Decreased by:             |                            |
| Encumbrances Payable      | <u>2,569.63</u>            |
| Balance December 31, 2014 | <u><u>\$ 14,501.87</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Federal and State Grant Fund**  
 Schedule of Federal and State Grants Receivable  
 For the Year Ended December 31, 2014

|  | <u>Balance<br/>Dec. 31, 2013</u> | <u>Accrued</u>       | <u>Received</u>     | <u>Transfer<br/>From<br/>Unappropriated<br/>Reserves</u> | <u>Transfer<br/>To<br/>Unappropriated<br/>Reserves</u> | <u>Balance<br/>Dec. 31, 2014</u> |
|--|----------------------------------|----------------------|---------------------|--|--|----------------------------------|
| <b>State Grants:</b>                       |                                  |                      |                     |  |  |                                  |
| Clean Communities Program                  | \$ -                             | \$ 7,990.62          | \$ 7,990.62         | \$ -   | \$ -   | \$ -                             |
| Body Armor Replacement Grant               |                                  | 3,622.22             | 3,622.22            |  |  | -                                |
| DWI Enforcement                            |                                  | 3,961.66             | 1,304.35            | 2,657.31   |  | -                                |
| NJ Transportation Trust - Roosevelt Avenue |                                  | 200,000.00           | -                   | 135,534.00   |  | 64,466.00                        |
| Recycling Tonnage Grant                    |                                  | -                    | 6,106.29            |  | 6,106.29   |                                  |
| Druive Sober or Get Pulled Over            |                                  |                      | 5,000.00            |  | 5,000.00   |                                  |
| <b>County Grants:</b>                      |                                  |                      |                     |  |  |                                  |
| Open Space Preservation Trust Fund         | 25,002.13                        |                      |                     |  |  | 25,002.13                        |
| County Recreation Facility Enhancement     | 50,000.00                        |                      |                     |  |  | 50,000.00                        |
| County Recreation Facility Enhancement     |                                  | 25,000.00            |                     |  |  | 25,000.00                        |
| <b>Federal Grants:</b>                     |                                  |                      |                     |  |  |                                  |
| Community Development Block Grant          | -                                | 4,000.00             | 3,760.00            |  |  | 240.00                           |
| <b>Total</b>                               | <u>\$ 75,002.13</u>              | <u>\$ 244,574.50</u> | <u>\$ 27,783.48</u> | <u>\$ 138,191.31</u>                                     | <u>\$ 11,106.29</u>                                    | <u>\$ 164,708.13</u>             |

**BOROUGH OF MOUNT EPHRAIM**  
**Federal and State Grant Fund**  
 Schedule of Reserve For Federal and State Grants - Unappropriated  
 For the Year Ended December 31, 2014

|   | Balance<br><u>Dec. 31, 2013</u> | Federal and<br>State Grant<br><u>Receivable</u> | Realized<br>as Revenue<br><u>In 2014</u> | Balance<br><u>Dec. 31, 2014</u> |
|---|---------------------------------|---|--|---------------------------------|
| State Grants:   |                                 |   |  |                                 |
| NJ Department of Transportation -<br>Roosevelt Avenue | \$ 135,534.00                   | \$ -  | \$ 135,534.00                            | \$ -                            |
| Drunk Driving Enforcement Fund                        | 2,657.31                        |   | 2,657.31                                 |                                 |
| Drive Sober or Get Pulled Over                        |                                 | 5,000.00  |  | 5,000.00                        |
| Recycling Tonnage Grant                               |                                 | 6,106.29  |  | 6,106.29                        |
|   | <hr/>                           |   |  |                                 |
| Total   | <u>\$ 138,191.31</u>            | <u>\$ 11,106.29</u>                             | <u>\$ 138,191.31</u>                     | <u>\$ 11,106.29</u>             |



**BOROUGH OF MOUNT EPHRAIM**  
**Federal and State Grant Fund**  
 Schedule of Reserve For Federal and State Grants - Appropriated  
 For the Year Ended December 31, 2014

|  | <u>Balance<br/>Dec. 31, 2013</u> | <u>Transferred<br/>From 2014<br/>Budget</u> | <u>Paid<br/>or Charged</u> | <u>Canceled</u> | <u>Balance<br/>Dec. 31, 2014</u> |
|--|----------------------------------|---|----------------------------|-----------------|----------------------------------|
| <b>State Grants:</b>                       |                                  |   |                            |                 |                                  |
| Drunk Driving Enforcement Fund             | \$ 9,311.60                      | \$ 3,961.66                                 | \$ 6,877.08                |                 | \$ 6,396.18                      |
| Recycling Tonnage Grant                    | 301.71                           |   | 301.71                     |                 |                                  |
| Alcohol Education & Rehab. Program         | 9,353.02                         |   | 3,791.00                   |                 | 5,562.02                         |
| Body Armor Grant                           | 1,869.98                         | 3,622.22                                    | 992.00                     |                 | 4,500.20                         |
| Clean Communities                          | 3,706.36                         | 7,990.62                                    | 7,305.18                   |                 | 4,391.80                         |
| NJ Transportation Trust - Delaware Avenue  | 10,657.25                        |   |                            |                 | 10,657.25                        |
| NJ Transportation Trust - Roosevelt Avenue |                                  | 200,000.00                                  | 177,027.73                 |                 | 22,972.27                        |
| Statewide Domestic Preparedness Grant      | 67.81                            |   |                            |                 | 67.81                            |
| <b>County Grants:</b>                      |                                  |   |                            |                 |                                  |
| Open Space Preservation Trust Fund         | 2,498.92                         |   | 2,192.00                   |                 | 306.92                           |
| County Recreation Facility Enhancement     | 50,000.00                        | -   | 46,508.20                  |                 | 3,491.80                         |
| County Recreation Facility Enhancement     |                                  | 25,000.00                                   |                            |                 | 25,000.00                        |
| <b>Federal Grants:</b>                     |                                  |   |                            |                 |                                  |
| Community Development Block Grant          |                                  | 4,000.00                                    | 3,760.00                   |                 | 240.00                           |
| <b>Total</b>                               | <u>\$ 87,766.65</u>              | <u>\$ 244,574.50</u>                        | <u>\$ 248,754.90</u>       | <u>\$ -</u>     | <u>\$ 83,586.25</u>              |
|  |                                  |   | \$ 240,160.51              |                 |                                  |
|  |                                  |   | 1,785.00                   |                 |                                  |
|  |                                  |   | 6,809.39                   |                 |                                  |
|  |                                  | <b>Total</b>                                | <u>\$ 248,754.90</u>       |                 |                                  |

**TRUST FUND**

**BOROUGH OF MOUNT EPHRAIM**  
**Trust Fund**  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2014

|                                 | Animal<br>Control | Total<br>Other Trust<br>Funds | Unemployment<br>Trust | Payroll             | Off-Duty<br>Police | Public<br>Defender | POAA         | Developer's<br>Escrow | Tax Title Lien<br>Redemption | Police<br>Donations | Forfeited<br>Funds |
|---------------------------------|-------------------|-------------------------------|-----------------------|---------------------|--------------------|--------------------|--------------|-----------------------|------------------------------|---------------------|--------------------|
| Balance December 31, 2013       | \$ (888.56)       | \$ 156,344.12                 | \$ 2,747.00           | \$ 13,052.04        | \$ 5,102.42        | \$ 16,157.12       | \$ 67.05     | \$ 38,290.98          | \$ 74,393.71                 | \$ 120.54           | \$ 6,413.26        |
| Receipts:                       |                   |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Dog License Fees:               |                   |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Municipal Licenses              | 10,971.84         |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| State Registration Fees         | 699.00            |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Due from Oaklyn Court           |                   |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Due to Current Fund             |                   | 3,000.00                      | 3,000.00              |                     |                    |                    |              |                       |                              |                     |                    |
| Payroll Withholdings            |                   | 2,812.29                      | 2,812.29              |                     |                    |                    |              |                       |                              |                     |                    |
| Net Payroll                     |                   | 1,387,676.05                  |                       | 1,387,676.05        |                    |                    |              |                       |                              |                     |                    |
| Payroll Deductions Payable      |                   | 799,675.58                    |                       | 799,675.58          |                    |                    |              |                       |                              |                     |                    |
| Off-Duty Police Fees            |                   | 135,849.49                    |                       |                     | 135,849.49         |                    |              |                       |                              |                     |                    |
| Public Defender Fees            |                   | 4,094.60                      |                       |                     |                    | 4,094.60           |              |                       |                              |                     |                    |
| POAA Fees                       |                   | 16.00                         |                       |                     |                    |                    | 16.00        |                       |                              |                     |                    |
| Tax Title Lien Redemptions      |                   | 259,595.71                    |                       |                     |                    |                    |              |                       | 259,595.71                   |                     |                    |
| Developer's Escrow              |                   | 46,854.00                     |                       |                     |                    |                    |              | 46,854.00             |                              |                     |                    |
| Forfeited Funds                 |                   | 4,859.12                      |                       |                     |                    |                    |              |                       |                              |                     | 4,859.12           |
| Interest Earned                 | 7.78              | 497.46                        | 1.39                  | 128.92              | 76.40              | 43.41              | 0.20         | 111.64                | 115.93                       | 0.19                | 19.38              |
| Total Receipts                  | <u>11,678.62</u>  | <u>2,644,930.30</u>           | <u>5,813.68</u>       | <u>2,187,480.55</u> | <u>135,925.89</u>  | <u>4,138.01</u>    | <u>16.20</u> | <u>46,965.64</u>      | <u>259,711.64</u>            | <u>0.19</u>         | <u>4,878.50</u>    |
| Disbursements:                  |                   |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Expenditures Under RS4:19-15.11 | 9,606.97          |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| State Registration Fees         | 700.20            |                               |                       |                     |                    |                    |              |                       |                              |                     |                    |
| Unemployment                    |                   | 5,722.77                      | 5,722.77              |                     |                    |                    |              |                       |                              |                     |                    |
| Net Payroll                     |                   | 1,387,676.05                  |                       | 1,387,676.05        |                    |                    |              |                       |                              |                     |                    |
| Payroll Deductions Payable      |                   | 800,924.92                    |                       | 800,924.92          |                    |                    |              |                       |                              |                     |                    |
| Off-Duty Police                 |                   | 140,893.55                    |                       |                     | 140,893.55         |                    |              |                       |                              |                     |                    |
| Public Defender                 |                   | 51.79                         |                       |                     |                    | 51.79              |              |                       |                              |                     |                    |
| Developer's Escrow              |                   | 41,040.72                     |                       |                     |                    |                    |              | 41,040.72             |                              |                     |                    |
| Tax Title Lien Redemptions      |                   | 214,003.97                    |                       |                     |                    |                    |              |                       | 214,003.97                   |                     |                    |
| Police Donations                |                   | 50.00                         |                       |                     |                    |                    |              |                       |                              | 50.00               |                    |
| Due to Current Fund             | 7.78              | 357.47                        |                       | 121.53              | 76.40              | 43.41              | 0.20         |                       | 115.93                       |                     |                    |
| Total Disbursements             | <u>10,314.95</u>  | <u>2,590,721.24</u>           | <u>5,722.77</u>       | <u>2,188,722.50</u> | <u>140,969.95</u>  | <u>95.20</u>       | <u>0.20</u>  | <u>41,040.72</u>      | <u>214,119.90</u>            | <u>50.00</u>        | <u>0.00</u>        |
| Balance December 31, 2014       | \$ 475.11         | \$ 210,553.18                 | \$ 2,837.91           | \$ 11,810.09        | \$ 58.36           | \$ 20,199.93       | \$ 83.05     | \$ 44,215.90          | \$ 119,985.45                | \$ 70.73            | \$ 11,291.76       |

**BOROUGH OF MOUNT EPHRAIM**  
**Trust Fund**  
 Schedule of Reserve for Animal Control Expenditures  
 For the Year Ended December 31, 2014

|                                     |             |               |
|-------------------------------------|-------------|---------------|
| Balance (Deficit) December 31, 2013 |             | \$ (1,506.84) |
| Increased by:                       |             |               |
| 2014 Dog License Fees Collected     | \$ 5,865.00 |               |
| Late Fees                           | 2,100.00    |               |
| Refund of Prior Year Expense        | 617.08      |               |
| Current Fund - Budget Appropriation | 3,006.84    | 11,588.92     |
| Total                               |             | 10,082.08     |
| Decreased by:                       |             |               |
| Expenditures Under R.S. 4:19-15.11: |             |               |
| Cash disbursed                      |             | 9,606.97      |
| Balance (Deficit) December 31, 2014 |             | \$ 475.11     |

LICENSE FEES COLLECTED

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2012        | \$ 4,162.40   |
| 2013        | 6,251.40      |
|             | \$ 10,413.80  |

**BOROUGH OF MOUNT EPHRAIM**  
**Trust - Other Funds**  
Statement of Reserve for Unemployment Compensation  
For the Year Ended December 31, 2014

---

|                           |             |                         |
|---------------------------|-------------|-------------------------|
| Balance December 31, 2013 |             | \$ 3,218.33             |
| Increased by:             |             |                         |
| Employee Withholdings     | \$ 2,812.29 |                         |
| Interest Earned           | <u>1.39</u> | <u>2,813.68</u>         |
| Subtotal                  |             | 6,032.01                |
| Decreased by:             |             |                         |
| Claims Paid               |             | <u>5,722.77</u>         |
| Balance December 31, 2014 |             | <u><u>\$ 309.24</u></u> |

EXHIBIT B-4

Schedule of Reserve for Escrow Trust Fund  
For the Year Ended December 31, 2014

---

|                                |               |                             |
|--------------------------------|---------------|-----------------------------|
| Balance December 31, 2013      |               | \$ 95,236.48                |
| Increased by:                  |               |                             |
| Escrow Deposits                | \$ 46,854.00  |                             |
| Interest Earned on Investments | <u>111.64</u> | <u>46,965.64</u>            |
| Decreased by:                  |               |                             |
| Disbursements                  |               | <u>41,040.72</u>            |
| Balance December 31, 2014      |               | <u><u>\$ 101,161.40</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Trust - Other Funds**  
 Statement of Reserve for Law Enforcement - Forfeited Funds  
 For the Year Ended December 31, 2014

---

|                                |              |                             |
|--------------------------------|--------------|-----------------------------|
| Balance December 31, 2013      |              | \$ 6,413.26                 |
| Increased by:                  |              |                             |
| Cash Receipts                  | \$ 4,859.12  |                             |
| Interest Earned on Investments | <u>19.38</u> | <u>4,878.50</u>             |
|                                |              | 11,291.76                   |
| Decreased by:                  |              |                             |
| Cash Disbursed                 |              | <u>                    </u> |
| Balance December 31, 2014      |              | <u><u>\$ 11,291.76</u></u>  |

Schedule of Deposits for Redemption of Tax Sale Certificates  
 For the Year Ended December 31, 2014

---

|  |  |                            |
|--|--|----------------------------|
| Balance December 31, 2013                |  | \$ 5,493.71                |
| Increased by:                            |  |                            |
| Deposits Received                        |  | <u>179,697.71</u>          |
|  |  | 185,191.42                 |
| Decreased by:                            |  |                            |
| Refunds - Tax Sale Certificates Redeemed |  | <u>157,205.97</u>          |
| Balance December 31, 2014                |  | <u><u>\$ 27,985.45</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Trust - Other Funds**  
Statement of Reserve for Tax Sale Premiums  
For the Year Ended December 31, 2014

---

|                           |  |                            |
|---------------------------|--|----------------------------|
| Balance December 31, 2013 |  | \$ 68,900.00               |
| Increased by:             |  |                            |
| Cash Receipts             |  | <u>79,898.00</u>           |
| Subtotal                  |  | 148,798.00                 |
| Decreased by:             |  |                            |
| Cash Disbursements        |  | <u>56,798.00</u>           |
| Balance December 31, 2014 |  | <u><u>\$ 92,000.00</u></u> |

Statement of Reserve for Off Duty Police  
For the Year Ended December 31, 2014

---

|                           |                 |                           |
|---------------------------|-----------------|---------------------------|
| Balance December 31, 2013 |                 | \$ 7,475.13               |
| Increased by:             |                 |                           |
| Cash Receipts             | \$ 133,476.78   |                           |
| Accounts Receivable       | <u>1,844.89</u> | <u>135,321.67</u>         |
| Subtotal                  |                 | 142,796.80                |
| Decreased by:             |                 |                           |
| Cash Disbursements        |                 | <u>140,893.55</u>         |
| Balance December 31, 2014 |                 | <u><u>\$ 1,903.25</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**Trust - Other Funds**  
Statement of Reserve for Public Defender Fees  
For the Year Ended December 31, 2014

---

|                           |                           |
|---------------------------|---------------------------|
| Balance December 31, 2013 | \$ 5,593.82               |
| Increased by:             |                           |
| Cash Receipts             | <u>4,094.60</u>           |
| Subtotal                  | 9,688.42                  |
| Decreased by:             |                           |
| Cash Disbursements        | <u>5,061.31</u>           |
| Balance December 31, 2014 | <u><u>\$ 4,627.11</u></u> |

Statement of Reserve for POAA Fees  
For the Year Ended December 31, 2014

---

|                           |                        |
|---------------------------|------------------------|
| Balance December 31, 2013 | \$ 67.05               |
| Increased by:             |                        |
| Cash Receipts             | <u>16.00</u>           |
| Subtotal                  | 83.05                  |
| Decreased by:             |                        |
| Disbursements             | <u>          </u>      |
| Balance December 31, 2014 | <u><u>\$ 83.05</u></u> |



**BOROUGH OF MOUNT EPHRAIM**  
**Trust - Other Funds**  
Statement of Reserve for Police Donations  
For the Year Ended December 31, 2014

---

|                           |                        |
|---------------------------|------------------------|
| Balance December 31, 2013 | \$ 120.54              |
| Increased by:             |                        |
| Interest earned           | <u>0.19</u>            |
| Subtotal                  | 120.73                 |
| Decreased by:             |                        |
| Disbursements             | <u>50.00</u>           |
| Balance December 31, 2014 | <u><u>\$ 70.73</u></u> |

**GENERAL CAPITAL FUND**

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2014

|   |              |              |
|---|--------------|--------------|
| Balance December 31, 2013                       |              | \$ 59,628.89 |
| Receipts:                                       |              |              |
| Due from Federal and State Grant Fund           | \$ 35,000.00 |              |
| Budget Appropriation - Capital improvement Fund | 20,000.00    |              |
| Due to Current Fund                             | 3,592.96     |              |
| Due to Current Fund - Interest Earnings         | 117.47       |              |
| Total Receipts                                  |              | 58,710.43    |
| Subtotal  |              | 118,339.32   |
| Disbursements:                                  |              |              |
| Improvement Authorizations                      | 118,221.85   |              |
| Due to Current Fund - Interest Earnings         | 117.47       | 118,339.32   |
| Balance December 31, 2014                       |              | \$ -         |

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
 Analysis of General Capital Cash and Investments  
 For the Year Ended December 31, 2014

---

|  |  |                    |
|--|--|--------------------|
| Fund Balance                                 |  | \$ 49.80           |
| Capital Improvement Fund                     |  | 27,122.10          |
| Due to Current Fund                          |  | 15,507.92          |
| Due from Federal and State Grant Fund        |  | (1,009,940.80)     |
| Due from Camden County Improvement Authority |  | (4,035.37)         |
| Reserve for Bond Anticipation Notes          |  | 1,022,571.85       |
| Improvement Authorizations:                  |  |                    |
| Ordinance                                    |  |                    |
| <u>Number</u>                                |  |                    |
| 02-2010                                      | Completion of Various Roads                  | 2,214.61           |
| 07-2010                                      | Drainage and Street Improvements - Bell road | 16,893.27          |
| 02-2012                                      | Various Improvements                         | 9,161.06           |
| 07-2014                                      | Various Improvements                         | <u>(79,544.44)</u> |
| Total  |  | <u>\$ -</u>        |

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2014

---

|                           |                        |
|---------------------------|------------------------|
| Balance December 31, 2013 | \$ 2,610,000.00        |
| Decreased By:             |                        |
| Serial Bonds Paid         | <u>110,000.00</u>      |
| Balance December 31, 2014 | <u>\$ 2,500,000.00</u> |



**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
Schedule of Capital Improvement Fund  
For the Year Ended December 31, 2014

---

|  |                            |
|--|----------------------------|
| Balance December 31, 2013                          | \$ 20,122.10               |
| Increased by:                                      |                            |
| 2014 Budget Appropriation                          | <u>20,000.00</u>           |
| Subtotal   | 40,122.10                  |
| Decreased by:                                      |                            |
| Appropriated to Finance Improvement Authorizations | <u>13,000.00</u>           |
| Balance December 31, 2014                          | <u><u>\$ 27,122.10</u></u> |

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2014

| Ordinance<br>Number | Improvement Description                      | Date     | Ordinance<br>Amount | Balance<br>December 31, 2013 |                     | Reallocation<br>of Unfunded<br>Appropriations<br>Per Resolution | 2014 AUTHORIZATIONS            |  | Paid<br>or<br>Charged | Canceled    | Balance<br>December 31, 2014 |                      |
|---------------------|--|----------|---------------------|------------------------------|---------------------|---|--------------------------------|--|-----------------------|-------------|------------------------------|----------------------|
|                     |  |          |                     | Funded                       | Unfunded            |   | Capital<br>Improvement<br>Fund | Deferred<br>Charges<br>To Future<br>Taxation -<br>Unfunded |                       |             | Funded                       | Unfunded             |
| 02-2010             | Completion of Various Roads                  | 04/01/10 | \$ 125,000.00       |                              | \$ 5,725.44         |   |                                |  | \$ 3,510.83           |             |                              | \$ 2,214.61          |
| 07-2010             | Drainage and Street Improvements - Bell Road | 06/03/10 | 755,000.00          |                              | 17,498.65           |   |                                |  | 605.38                |             |                              | 16,893.27            |
| 02-2012             | Various Improvements:                        |          |                     |                              |                     |   |                                |  |                       |             |                              |                      |
|                     | Drainage Improvements Bell Road              | 07/05/12 | 55,000.00           |                              | 7,491.30            | \$ (7,491.30)   |                                |  |                       |             |                              |                      |
|                     | Various capital Equipment                    | 07/05/12 | 35,000.00           |                              | 14,547.96           | (10,018.35)   |                                |  | 4,529.61              |             |                              |                      |
|                     | Public Safety Equipment                      | 07/05/12 | 70,000.00           |                              | 4,288.00            | 1,420.48  |                                |  | 2,208.48              |             |                              | 3,500.00             |
|                     | Public Works Vehicle and Equipment           | 07/05/12 | 40,000.00           |                              | 4,395.00            | 16,089.17   |                                |  | 14,823.11             |             |                              | 5,661.06             |
| 07-2014             | Various Improvements:                        |          |                     |                              |                     |   |                                |  |                       |             |                              |                      |
|                     | Office equipment                             | 07/03/14 | 42,000.00           |                              |                     |   | \$ 2,100.00                    | \$ 39,900.00   | 2,151.40              |             |                              | 39,848.60            |
|                     | Public Safety Improvements                   | 07/03/14 | 75,000.00           |                              |                     |   | 3,750.00                       | 71,250.00  | 51,433.21             |             |                              | 23,566.79            |
|                     | Public Works Vehicles and Equipment          | 07/03/14 | 15,000.00           |                              |                     |   | 750.00                         | 14,250.00  | 8,240.00              |             |                              | 6,760.00             |
|                     | Road and Drainage Improvements               | 07/03/14 | 128,000.00          |                              |                     |   | 6,400.00                       | 121,600.00   | 27,854.27             |             |                              | 100,145.73           |
|                     | Second Avenue Road Project                   | 07/03/14 | 200,000.00          |                              |                     |   |                                | 200,000.00   | 2,865.56              |             |                              | 197,134.44           |
|                     | <b>Total</b>                                 |          |                     | <b>\$ -</b>                  | <b>\$ 53,946.35</b> | <b>\$ -</b>   | <b>\$ 13,000.00</b>            | <b>\$ 447,000.00</b>                                       | <b>\$ 118,221.85</b>  | <b>\$ -</b> | <b>\$ -</b>                  | <b>\$ 395,724.50</b> |
|                     | Cash Disbursed                               |          |                     |                              |                     |   |                                |  | \$ 118,221.85         |             |                              |                      |
|                     | Due from Current Fund                        |          |                     |                              |                     |   |                                |  | -                     |             |                              |                      |
|                     | <b>Total</b>                                 |          |                     |                              |                     |   |                                |  | <b>\$ 118,221.85</b>  |             |                              |                      |



Borough of Mount Ephraim  
General Capital Fund  
Statement of General Serial Bonds  
For the Year Ended December 31, 2014

| <u>Purpose</u>                  | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Bonds Outstanding</u> |               | <u>Interest Rate</u> | <u>Balance Dec. 31, 2013</u> | <u>Increased</u> | <u>Decreased</u>     | <u>Balance Dec. 31, 2014</u> |
|---------------------------------|----------------------|-----------------------|--|---------------|----------------------|------------------------------|------------------|----------------------|------------------------------|
|                                 |                      |                       | <u>Date</u>                            | <u>Amount</u> |                      |                              |                  |                      |                              |
| Borough Guaranteed Bonds - 2009 | 05/01/94             | \$3,000,000.00        | 05/01/15                               | \$ 120,000.00 | 5.25%                | <u>\$ 2,610,000.00</u>       | <u>-</u>         | <u>\$ 110,000.00</u> | <u>\$ 2,500,000.00</u>       |
|                                 |                      |                       | 05/01/16                               | 125,000.00    | 5.25%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/17                               | 130,000.00    | 5.25%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/18                               | 140,000.00    | 5.25%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/19                               | 140,000.00    | 5.25%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/20                               | 140,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/21                               | 150,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/22                               | 155,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/23                               | 165,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/24                               | 175,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/25                               | 185,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/26                               | 200,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/27                               | 210,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/22                               | 225,000.00    | 6.00%                |                              |                  |                      |                              |
|                                 |                      |                       | 05/01/29                               | 240,000.00    | 6.00%                |                              |                  |                      |                              |

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
 Schedule of Bond Anticipation Notes  
 For the Year Ended December 31, 2014

| Ordinance Number | Improvement Description                       | Date of Issue of Original Note | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2013  | Increased              | Decreased              | Balance Dec. 31, 2014  |
|------------------|---|--------------------------------|---------------|------------------|---------------|------------------------|------------------------|------------------------|------------------------|
| 2006-772         | Purchase of Equipment                         | 1/8/2007                       | 10/16/2013    | 7/10/2014        | 0.95%         | \$ 140,000.00          |                        | \$ 140,000.00          |                        |
| 2006-772         | Purchase of Equipment                         | 1/8/2007                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | \$ 129,600.00          |                        | \$ 129,600.00          |
| 15-2007          | Various Improvements                          | 1/8/2008                       | 10/16/2013    | 7/10/2014        | 0.95%         | 225,900.00             |                        | 225,900.00             |                        |
| 15-2007          | Various Improvements                          | 1/8/2008                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 217,200.00             |                        | 217,200.00             |
| 11-2008          | Various Road and Related Improvements         | 10/28/2008                     | 10/16/2013    | 7/10/2014        | 0.95%         | 144,760.00             |                        | 144,760.00             |                        |
| 11-2008          | Various Road and Related Improvements         | 10/28/2008                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 132,760.00             |                        | 132,760.00             |
| 12-2008          | Sewer Utility Equipment and Improvements      | 10/28/2008                     | 10/16/2013    | 7/10/2014        | 0.95%         | 49,605.00              |                        | 49,605.00              |                        |
| 12-2008          | Sewer Utility Equipment and Improvements      | 10/28/2008                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 48,605.00              |                        | 48,605.00              |
| 13-2008          | Acquisition of Vehicles and Equipment         | 10/28/2008                     | 10/16/2013    | 7/10/2014        | 0.95%         | 69,435.00              |                        | 69,435.00              |                        |
| 13-2008          | Acquisition of Vehicles and Equipment         | 10/28/2008                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 55,435.00              |                        | 55,435.00              |
| 08-2009          | Various Road and Related Improvements         | 10/26/2009                     | 10/16/2013    | 7/10/2014        | 0.95%         | 68,780.00              |                        | 68,780.00              |                        |
| 08-2009          | Various Road and Related Improvements         | 10/26/2009                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 64,280.00              |                        | 64,280.00              |
| 09-2009          | Various Improvements to Buildings and Grounds | 10/26/2009                     | 10/16/2013    | 7/10/2014        | 0.95%         | 44,465.00              |                        | 44,465.00              |                        |
| 09-2009          | Various Improvements to Buildings and Grounds | 10/26/2009                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 42,465.00              |                        | 42,465.00              |
| 10-2009          | Sewer Utility Improvements                    | 10/26/2009                     | 10/16/2013    | 7/10/2014        | 0.95%         | 65,550.00              |                        | 65,550.00              |                        |
| 10-2009          | Sewer Utility Improvements                    | 10/26/2009                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 64,650.00              |                        | 64,650.00              |
| 11-2009          | Various Pieces of Capital Equipment           | 10/26/2009                     | 10/16/2013    | 7/10/2014        | 0.95%         | 229,450.00             |                        | 229,450.00             |                        |
| 11-2009          | Various Pieces of Capital Equipment           | 10/26/2009                     | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 196,450.00             |                        | 196,450.00             |
| 7-2010           | Drainage and Related Street Improvements      | 07/13/12                       | 7/11/2013     | 7/10/2014        | 0.99%         | 745,000.00             |                        | 745,000.00             |                        |
| 7-2010           | Drainage and Related Street Improvements      | 07/13/12                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 735,000.00             |                        | 735,000.00             |
| 8-2010           | Kings Highway Streetscape                     | 07/13/12                       | 7/11/2013     | 7/10/2014        | 0.99%         | 275,040.00             |                        | 275,040.00             |                        |
| 8-2010           | Kings Highway Streetscape                     | 07/13/12                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 259,540.00             |                        | 259,540.00             |
| 02-2010          | Repair and/or Reconstruction of Various Roads | 07/13/12                       | 7/11/2013     | 7/10/2014        | 0.99%         | 118,750.00             |                        | 118,750.00             |                        |
| 02-2010          | Repair and/or Reconstruction of Various Roads | 07/13/12                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 118,750.00             |                        | 118,750.00             |
| 14-2010          | Acquisition of a Trash Truck                  | 07/13/12                       | 7/11/2013     | 7/10/2014        | 0.99%         | 85,500.00              |                        | 85,500.00              |                        |
| 14-2010          | Acquisition of a Trash Truck                  | 07/13/12                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        | 85,500.00              |                        | 85,500.00              |
| 02-2012          | Various Improvements                          | 07/11/13                       | 7/11/2013     | 7/10/2014        | 0.99%         | 190,000.00             |                        | 190,000.00             |                        |
| 02-2012          | Various Improvements                          | 07/11/13                       | 7/10/2014     | 7/9/2015         | 0.89%         |                        |                        |                        |                        |
|                  |   |                                |               |                  |               |                        | <u>190,000.00</u>      |                        | <u>190,000.00</u>      |
|                  |   |                                |               |                  |               | <u>\$ 2,452,235.00</u> | <u>\$ 2,340,235.00</u> | <u>\$ 2,452,235.00</u> | <u>\$ 2,340,235.00</u> |
|                  |   |                                |               |                  |               |                        |                        | \$ 112,000.00          |                        |
|                  |   |                                |               |                  |               |                        | <u>\$ 2,340,235.00</u> | <u>2,340,235.00</u>    |                        |
|                  |   |                                |               |                  |               |                        | <u>\$ 2,340,235.00</u> | <u>\$ 2,452,235.00</u> |                        |

BOROUGH OF MOUNT EPHRAIM  
 General Capital Fund  
 Statement of Obligations Under Capital lease  
 For the Year Ended December 31, 2014

| <u>Purpose</u>               | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Bonds Outstanding</u> |               | <u>Interest Rate</u> | <u>Balance Dec. 31, 2013</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2014</u> |               |
|------------------------------|----------------------|-----------------------|--|---------------|----------------------|------------------------------|------------------|------------------|------------------------------|---------------|
|                              |                      |                       | <u>Date</u>                            | <u>Amount</u> |                      |                              |                  |                  |                              |               |
| Various Capital Improvements | 12/21/05             | \$ 725,000.00         | 11/15/15                               | \$ 34,000.00  | 5.00%                | \$ 508,000.00                |                  | \$ 474,000.00    | \$ 34,000.00                 |               |
| Refunding Capital Lease      | 12/21/14             | 432,000.00            | 12/15/16                               | 38,000.00     | 3.00%                |                              | \$ 432,000.00    |                  | 432,000.00                   |               |
|                              |                      |                       |  | 37,000.00     | 3.00%                |                              |                  |                  |                              |               |
|                              |                      |                       |  | 40,000.00     | 4.00%                |                              |                  | \$ 508,000.00    | \$ 432,000.00                | \$ 474,000.00 |
|                              |                      |                       |  | 43,000.00     | 4.00%                |                              |                  |                  |                              |               |
|                              |                      |                       |  | 43,000.00     | 4.00%                |                              |                  |                  |                              |               |
|                              |                      |                       |  | 42,000.00     | 4.00%                |                              |                  |                  |                              |               |
|                              |                      |                       |  | 45,000.00     | 4.00%                |                              |                  |                  |                              |               |
|                              |                      |                       |  | 46,000.00     | 4.00%                |                              |                  |                  |                              |               |
|                              | 48,000.00            | 4.00%                 |  |               |                      |                              |                  |                  |                              |               |
|                              | 50,000.00            | 4.00%                 |  |               |                      |                              |                  |                  |                              |               |

**BOROUGH OF MOUNT EPHRAIM**  
**General Capital Fund**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2014

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| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u> | <u>Balance<br/>Dec. 31, 2013</u> | <u>2014<br/>Authorizations</u> | <u>Bond<br/>Anticipation<br/>Notes<br/>Issued</u> | <u>Balance<br/>Dec. 31, 2014</u> |
|-----------------------------|--------------------------------|----------------------------------|--------------------------------|---|----------------------------------|
| 07-2014                     | Various Capital Improvements   | \$ -                             | \$ 447,000.00                  | \$ -  | \$ 447,000.00                    |
|                             | Total                          | \$ -                             | \$ 447,000.00                  | \$ -  | \$ 447,000.00                    |

**BOROUGH OF MOUNT EPHRAIM**

**PART II**

**Schedule of Findings and Recommendations**

**For the Year Ended December 31, 2014**

**BOROUGH OF MOUNT EPHRAIM  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Section 1 -- Summary of Auditor's Results**

**Financial Statement Section**

Type of auditor's report issued:

\_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

1) Material weaknesses identified?

\_\_\_\_\_ yes      X   no

2) Significant deficiencies identified that are not considered to be material weaknesses?

\_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes      X   no

**Federal Awards**

**NOT APPLICABLE**

**State Awards**

**NOT APPLICABLE**

**BOROUGH OF MOUNT EPHRAIM**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

**Schedule of Financial Statement Findings**

This section identifies the reportable conditions, 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 requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

No findings identified.

**BOROUGH OF MOUNT EPHRAIM  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2014**

**Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular 04-04.

**FEDERAL AWARDS**

A federal single audit was not required.

**STATE AWARDS**

A state single audit was not required.



**BOROUGH OF MOUNT EPHRAIM**

**OFFICIALS IN OFFICE AND SURETY BONDS**

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

| <b><u>Name</u></b> | <b><u>Title</u></b>           | <b><u>Amount<br/>of<br/>Coverage</u></b> | <b><u>Name<br/>Of<br/>Surety</u></b> |
|--------------------|-------------------------------|--|--------------------------------------|
| Joseph Wolk        | Mayor                         |  |                                      |
| Andrew Gilmore     | Commissioner                  |  |                                      |
| Bruce Greenwald    | Commissioner                  |  |                                      |
| Terry Shannon      | Borough Clerk                 | \$1,000,000.00                           | (A)                                  |
| David McPeak       | Chief Financial Officer       | \$1,000,000.00                           | (A)                                  |
| Dorthea Jones      | Tax Collector                 | \$1,000,000.00                           | (A)                                  |
| Tara Martin        | Registrar of Vital Statistics | \$1,000,000.00                           | (A)                                  |
| Tara Martin        | Construction Clerk            | \$1,000,000.00                           | (A)                                  |
| Steven R. Beach    | Construction Code Official    | \$1,000,000.00                           | (A)                                  |
| Brian Schneider    | Tax Assessor                  | \$1,000,000.00                           | (A)                                  |

(A) Employees are covered by the Public Employees Dishonesty Blanket Bond with the Camden County Municipal Joint Insurance Fund in the amount of \$50,000 and an excess liability bond in the amount of \$950,000 with the Municipal Excess Liability Fund.

**BOROUGH OF MOUNT EPHRAIM**  
**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 and federal and state grant awards that are required to be reported in accordance with Government Auditing Standards and New Jersey OMB's Circular 04-04.

**FINANCIAL STATEMENT FINDINGS**

**Finding #2013-1**

**Condition:**

There was a deficit in the Animal Control Fund as of December 31, 2013.

**Current Status:**

The condition has been corrected.

**FEDERAL AWARDS**

A Federal Single Audit was not required.

**STATE AWARDS**

A State Single Audit was not required.

**ACKNOWLEDGMENT**

I express my appreciation for the assistance and courtesies extended to the audit team by the Borough Officials during the course of the audit.

Respectfully submitted,

**INVERSO & STEWART, LLC**

A handwritten signature in black ink, appearing to read 'R. P. Inverso', written in a cursive style.

Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

March 28, 2015