TOWNSHIP OF PEMBERTON

COUNTY OF BURLINGTON

REPORT OF AUDIT

FOR THE YEAR 2001

Bowman & Company LLP

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

Schedule No.		Page No.

PART 3

TOWNSHIP OF PEMBERTON

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2001

Bowman & Company LLP

Certified Public Accountants & Consultants
601 White Horse Road
Voorhees, NJ 08043-2493
(856) 435-6200
Fax: (856) 435-0440
www.bowmanllp.com
Members of:
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Pemberton
County of Pemberton
Pemberton, New Jersey 08068

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- statutory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey as of December 31, 2001, and the related statements of operations and changes in fund balance-- statutory basis for the year then ended, and the related statement of revenues-- statutory basis, statement of expenditures-- statutory basis, for the year ended December 31, 2001. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Township of Pemberton as of December 31, 2000 were audited by other auditors whose report dated June 7, 2001 expressed an unqualified opinion on those financial statements.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above do not include the general fixed assets account group, as required by technical directive of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, because a complete record of general fixed assets was not maintained by the Township. The amount that should be recorded in the general fixed assets account group is not known.

The financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the financial statements do not represent financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. The more significant of these practices are described in Note 1 to the financial statements.

In our opinion, because of the requirement that the Township prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly the financial position of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2001, or the results of its operations and changes in fund balance for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Furthermore, in our opinion, except for the effect on the financial statements of the omission described in the third paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- statutory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2001, and the results of its operations and changes in fund balance of such funds for the year then ended, and the revenues-- statutory basis, expenditures-- statutory basis of the various funds, for the year ended December 31, 2001 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.

In accordance with Government Auditing Standards, we have also issued our report dated July 30, 2002 on our consideration of the Township of Pemberton, in the County of Burlington, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedule of expenditures of state assistance programs is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 98-07-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is not a required part of the financial statements. In addition, the supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds taken as a whole.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 30, 2002

Bowman & Company LLP

Certified Public Accountants & Consultants
601 White Horse Road
Voorhees, NJ 08043-2493
(856) 435-6200
Fax: (856) 435-0440
www.bowmanllp.com
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American Institute of CPAs
New Jersey Society of CPAs

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

The Honorable Mayor and
Members of the Township Council
Township of Pemberton
County of Pemberton
Pemberton, New Jersey 08068

We have audited the financial statements (statutory basis) of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2001, and have issued our report thereon dated July 30, 2002, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on an other comprehensive basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and indicated that the financial statements of the Township, as of December 31, 2000, were audited by other auditors whose report dated June 7, 2001 expressed an unqualified opinion on those financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Compliance

As part of obtaining reasonable assurance about whether the Township of Pemberton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Questioned Costs as findings no.:

2001-01	2001-04
2001-02	2001-05
2001-03	2001-06

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Pemberton's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as findings no.:

2001-02	2001-04
2001-03	2001-05

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe that the reportable conditions described above, as findings number 2001-02 and 2001-05 are material weaknesses.

This report is intended solely for the information and use of the management of the Township, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 30, 2002

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

	Ref.	2001	2000
ASSETS			
Regular Fund:			
Cash	SA-1	$3,303,089.03	$3,491,031.47
Change Funds	SA-1	450.00	
Investments	SA-1; SA-3a	360,078.68	100,000.00
Due State -- Seniors and Veterans Deductions	SA-8	20,703.92	23,178.92
		3,684,321.63	3,614,210.39
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	1,151,811.00	1,299,137.77
Tax Title Liens	SA-5	2,422,633.84	2,654,427.15
Trash Rents Receivable	SA-16	251,669.05	
Trash Liens	SA-17	18,945.92	
Property Acquired for Taxes-- Assessed Valuation	SA-10	12,972,600.00	3,378,764.90
Revenue Accounts Receivable	SA-7		370,591.36
Due Pemberton Library		4,137.00	4,137.00
Due Pemberton First Aid		5,000.00	5,000.00
Due State - Marriage License Fees	SA-6		17,510.00
Due Trust Other Fund	SB-8	111,419.28	136,384.91
Due Dog License Trust Fund	SB-1	3,207.40	3,167.67
Due Bond and Interest Account			310.00
Due General Capital	SC-9	142,835.32	19,540.96
		17,084,258.81	7,888,971.72
		20,768,580.44	11,503,182.11
Federal and State Grant Fund:			
Cash	SA-1	15,705.40	
Federal and State Grants Receivable	SA-18	203,196.60	218,308.00
Due Current Fund	SA-1		104,008.55
Due Trust Fund	B	31,076.97	14,464.20
Due General Capital Fund	C	18,078.27	18,078.27
		268,057.24	354,859.02
		$21,036,637.68	$11,858,041.13

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	2001	2000
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3; SA-11	$607,258.72	$462,403.43
Reserve for Encumbrances	A-3; SA-11	312,820.95	437,188.70
Accounts Payable	A-1		1,850.00
Prepaid Taxes	SA-15	279,375.67	258,044.22
Tax Overpayments	SA-12	12,236.45	10,793.07
Trash Overpayments	SA-1	10,732.75	
Due State – Division of Youth and Family Services	SA-8	1,325.00	
Due County – Added and Omitted	SA-13	14,428.44	28,138.27
County Taxes Payable	A-1		0.15
Local School Taxes Payable	SA-14		66,304.22
Reserve for Sale of Municipal Assets	SA-1	242,090.00	153,200.00
Due Pemberton MUA		4,413.00	4,413.00
Reserve for Revaluation Program		13,988.00	13,988.00
Reserve for Legislative Initiative Block Grant	A-2		3,345.00
Reserve for Garden State Trust – PILOT	A-2; SA-1	21,181.19	20,498.23
Cash Deposits:			
Performance Bonds	SA-1	43,739.00	19,763.00
Rental Deposits	SA-1	425.00	
Street Drainage		303.00	303.00
Security Deposits		138.00	138.00
Real Property		2,701.00	2,701.00
Library Aid		6.00	6.00
Due Public Assistance Fund	F	5,000.00	5,000.00
Due Sewer Operating Fund	E	3,333.60	3,333.60
Due Federal and State Grant Fund	SA-1		104,008.55
		1,575,495.77	1,595,419.44
Reserve for Receivables and Other Assets		17,084,258.81	7,888,971.72
Fund Balance	A-1	2,108,825.86	2,018,790.95
		20,768,580.44	11,503,182.11
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-20	19,152.55	20,365.24
Reserve for Federal and State Grants:			
Appropriated	SA-20	107,176.07	158,579.05
Unappropriated	SA-19	141,728.62	175,914.73
		268,057.24	354,859.02
		$21,036,637.68	$11,858,041.13

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

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statements of Operations and Changes in Fund Balance--Statutory Basis
For the Years Ended December 31, 2001 and 2000

	2001	2000
Revenue and Other Income Realized		
Fund Balance Utilized	$1,036,171.19	$750,000.00
Miscellaneous Revenues Anticipated	6,748,017.05	7,378,069.67
Receipts from Delinquent Taxes and Tax Title Liens	1,247,655.02	1,425,337.91
Receipts from Current Taxes	21,551,866.38	21,240,936.32
Non-Budget Revenue	152,829.38	237,436.28
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	453,699.31	377,747.80
Interfund Loans Cleared		4,793.90
Liquidation of Reserve for Due Trust Other	24,965.63	
Cancellation of School Taxes Payable	1.78	
Cancellation of County Taxes Payable	0.15	
Cancellation of Accounts Payable	1,850.00	
Cancellation of Grants Appropriated	2,255.00	
Cancellation of Tax Overpayments	1,509.20	784.92
Total Income (Carried Forward)	31,220,820.09	31,415,106.80
Expenditures		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	6,039,273.00	5,960,764.00
Other Expenses	5,626,602.00	5,223,817.00
Deferred Charges and Statutory Expenditures	553,171.19	682,411.13
Excluded from "CAPS":		
Operations:		
Salaries and Wages	285,311.00	246,749.00
Other Expenses	298,432.78	465,258.40
Capital Improvements--Excluded from "CAPS"	100,000.00	150,000.00
Municipal Debt Service--Excluded from "CAPS"	1,455,111.76	1,494,916.07
Deferred Charges	37,528.09	
County Taxes	4,492,853.58	4,561,913.54
Due County for Added and Omitted Taxes	14,428.44	28,138.27
Local District School Tax	11,044,142.00	11,098,306.00
Interfund Loans Created		108,404.12
Creation of Reserve for Due General Capital	123,294.36	
Creation of Reserve for Due Dog License Trust Fund	39.73	
Refund of Prior Year's Revenues Expended	127.51	1,109.55
Refund of Prior Year's Revenues -- Due Trust Other	1,319.90	
Cancellation of Due State -- DYFS (Net)	1,125.00	
Prior Year Adjustments to Senior Citizen Deductions	21,853.65	18,835.95
Total Expenditures	30,094,613.99	30,040,623.03
Excess in Revenues	1,126,206.10	1,374,483.77
Fund Balance		
Balance Jan. 1	2,018,790.95	1,394,307.18
	3,144,997.05	2,768,790.95
Decreased by:		
Utilized as Revenue	1,036,171.19	750,000.00
Balance Dec. 31	$2,108,825.86	$2,018,790.95

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

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenues -- Statutory Basis
For the Year Ended December 31, 2001

	Budget	Special N.J.S.40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$1,036,171.19	—	$1,036,171.19	—
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	7,000.00		8,856.50	$1,856.50
Other	12,000.00		6,100.00	(5,900.00)
Fees and Permits	27,000.00		24,284.91	(2,715.09)
Municipal Court Fines and Costs	500,000.00		415,731.27	(84,268.73)
Interest and Costs on Taxes	250,000.00		261,551.34	11,551.34
Interest on Investments and Deposits	200,000.00		298,049.77	98,049.77
Anticipated Utility Operating Surplus	84,100.00		84,100.00	
Trailer Park Licenses & Fees	80,000.00		89,289.84	9,289.84
Cable Television Fees	60,000.00		62,380.32	2,380.32
Trash User Fees	1,500,000.00		1,571,488.84	71,488.84
Legislative Initiative Block Grant	137,142.00		137,142.00	
Consolidated Municipal Property Tax Relief Aid	1,988,411.00		1,988,411.00	
Energy Receipts Tax	1,424,642.00		1,424,642.00	
Supplemental Energy Receipts Tax	83,448.00		83,448.00	
Garden State Trust Fund	20,498.23		20,498.23	
Reserve for Legislative Initiative Block Grant	3,345.00		3,345.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Off-Set with Appropriations:				
Clean Communities Program	54,532.00		54,532.00	
US Dept. of Justice - Cops in School	80,000.00		80,000.00	
US Dept. of Justice - Cops in School - Local Match	23,056.92		23,056.92	
Drunk Driving Enforcement Fund	9,085.11		9,085.11	
Safe and Secure Communities Act Program	60,000.00		60,000.00	
Municipal Alliance on Alcoholism & Drug Abuse	19,535.00		19,535.00	
Local Law Enforcement Block Grant		$22,489.00	22,489.00	
Total Miscellaneous Revenues	6,623,795.26	22,489.00	6,748,017.05	101,732.79
Receipts From Delinquent Taxes	1,305,021.00	—	1,247,655.02	(57,365.98)
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	7,202,488.45	—	7,686,924.02	484,435.57
Budget Totals	16,167,475.90	22,489.00	16,718,767.28	528,802.38
Non-Budget Revenue	—	—	152,829.38	152,829.38
	$16,167,475.90	$22,489.00	$16,871,596.66	$681,631.76

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenues--Statutory Basis
For the Year Ended December 31, 2001

Analysis of Realized Revenue		
Allocation of Current Tax Collections:		
Revenue from Collections		$21,551,866.38
Allocated to:		
County and School District Taxes		15,551,424.02
Amount for Support of Municipal Budget Appropriations		6,000,442.36
Add: Appropriation "Reserve for Uncollected Taxes"		1,686,481.66
Amount for Support of Municipal Budget Appropriations		$7,686,924.02
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		$1,222,039.02
Tax Title Lien Collections		25,616.00
		$1,247,655.02
Fees and Permits--Other:		
Registrar of Vital Statistics		$2,238.00
Clerk		2,126.00
Chief of Police		10,324.96
Zoning Officer		6,124.95
Tax Searches		3,471.00
		$24,284.91
Analysis of Non-Budget Revenues		
Cash Collections:		
Hepatitis B	$5,000.00	
Interest on Trash Rents	70,123.04	
Senior Citizen Meals	20,390.00	
Rental of Municipal Property	550.00	
Workers Compensation Refund	2,311.10	
Tax Sale Premiums Forfieted	650.00	
Property Maintenance Liens	3,053.39	
Adminisrative Fee--Senior Citizens and Veterans Deductions	6,882.93	
Refund of Prior Year Expenditures	27,869.58	
Cancellation of Prior Year Outstanding Checks	250.00	
Miscellaneous Sales	3,832.71	
		$140,912.75
Due General Capital -- Lease Revenue		11,916.63
		$152,829.38

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

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS"						
General Government						
Administrative and Executive						
Salaries and Wages						
Township Council	$31,050.00	$31,050.00	$31,050.00			
Mayor/Business Administrator	244,819.00	246,319.00	246,244.00			$75.00
Township Clerk	151,162.00	151,562.00	151,561.11		$0.89	
Other Expenses						
Township Council	15,885.00	15,885.00	8,586.37	$465.68	832.95	6,000.00
Mayor/Business Administrator	19,875.00	19,875.00	16,067.31	205.75	3,601.94	
Township Clerk	31,835.00	31,835.00	28,089.41	3,170.51	575.08	
Financial Administration						
Salaries and Wages	210,602.00	161,602.00	159,712.87		89.13	1,800.00
Other Expenses	53,820.00	55,620.00	49,614.50	5,924.12	81.38	
Assessment of Taxes						
Salaries and Wages	160,851.00	160,851.00	160,414.88		436.12	
Other Expenses	18,370.00	18,370.00	17,143.00	1,139.00	88.00	
Liquidation of Tax Title Lien and Foreclosed Property						
Other Expenses	53,600.00	53,600.00	25,822.53	24,835.00	2,942.47	
Collection of Taxes						
Salaries and Wages	130,959.00	128,459.00	128,206.10		2.90	250.00
Other Expenses	67,195.00	67,195.00	64,763.73	1,277.50	1,153.77	
Collection of Trash Billing Services						
Salaries and Wages	41,929.00	41,929.00	40,033.63		1,495.37	400.00
Other Expenses	16,935.00	16,935.00	10,361.23	595.50	978.27	5,000.00
Legal Services and Costs						
Other Expenses	99,000.00	99,000.00	75,138.19	283.43	23,578.38	
Municipal Prosecutor						
Other Expenses	28,000.00	28,000.00	23,333.30		4,666.70	
Engineering Services and Costs						
Other Expenses	59,000.00	59,000.00	54,503.21	1,023.10	3,473.69	
Public Buildings and Grounds						
Salaries and Wages	479,720.00	475,705.00	475,705.00			
Other Expenses	151,050.00	151,050.00	116,371.28	11,378.02	13,300.70	10,000.00
Municipal Land Use Law (N.J.S.40:55D-1)						
Planning Board						
Salaries and Wages	26,716.00	33,479.00	33,435.24		43.76	
Other Expenses	39,549.00	38,624.00	20,253.22	9,485.55	5,885.23	3,000.00

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Public Safety						
Zoning Board of Adjustment						
Salaries and Wages	$64,275.00	$72,702.00	$72,607.32		$94.68	
Other Expenses	34,747.00	33,747.00	21,010.97	$5,792.93	4,943.10	$2,000.00
Insurance						
Workers Compensation	125,000.00	234,000.00	142,228.82		91,771.18	
Group Plan for Employees	1,100,000.00	1,378,650.00	1,374,863.53		3,786.47	
Other Insurance Premiums	381,000.00	291,000.00	275,079.65	50.00	5,870.35	10,000.00
Police						
Salaries and Wages	3,449,305.00	3,357,935.00	3,187,438.18		170,496.82	
Other Expenses	256,120.00	236,120.00	187,919.94	30,693.50	7,506.56	10,000.00
Aid to Volunteer Fire Companies						
Browns Mills Fire Co. #1	20,000.00	20,000.00	20,000.00			
Magnolia Road Fire Co. #1	20,000.00	20,000.00	20,000.00			
Country Lakes Fire Co. #1	20,000.00	20,000.00	20,000.00			
Presidential Lakes Fire & Rescue Squad	20,000.00	20,000.00	20,000.00			
Aid to Municipal or Volunteer Fire Companies in Adjoining Municipalities (NJS 40A:14-35) Contracts						
Goodwill Fire Company #1	13,400.00	20,000.00	20,000.00			
First Aid Organization Contributions						
Browns Mills Emergency Squad, Inc.	21,500.00	21,500.00	21,500.00			
Pemberton Emergency Squad, Inc.	21,500.00	21,500.00	18,950.06	2,549.94		
Country Lakes Rescue Squad	21,500.00	21,500.00	20,493.53	1,006.47		
Presidential Lakes Rescue Squad	21,500.00	21,500.00	16,091.80	5,408.20		
Ambulance Contract	25,000.00	25,000.00			25,000.00	
Fire other	100.00	100.00	0.03		99.97	
Office of Emergency Management						
Other Expenses	6,051.00	6,051.00	5,057.99		993.01	
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	503,088.00	484,288.00	484,060.50		227.50	
Other Expenses	90,850.00	85,850.00	56,187.24	20,469.38	9,193.38	
Fire Hydrant Rentals						
Other Expenses	19,000.00	19,000.00	14,089.95		4,910.05	
Trash Disposal	1,385,000.00	1,385,000.00	1,226,468.78	86,121.19	72,410.03	
Vechile Maintenance						
Salaries and Wages	139,354.00	139,654.00	139,562.17		91.83	
Other Expenses	162,175.00	165,175.00	143,048.14	18,652.96	3,473.90	

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Health and Welfare						
Animal Control						
Salaries and Wages	$99,186.00	$102,686.00	$101,115.33		$1,570.67	
Other Expenses	31,660.00	30,660.00	689.45	$27,751.37	1,019.18	$1,200.00
Administration of Public Assistance						
Salaries and Wages	82,377.00	77,377.00	76,470.62		106.38	800.00
Other Expenses	13,025.00	13,025.00	10,967.98	670.00	1,387.02	
Enviromental Protection						
Other Expenses	3,325.00	3,325.00	2,968.05		356.95	
Recreation and Education						
Recreation						
Salaries and Wages	259,753.00	214,753.00	210,309.92		4,443.08	
Other Expenses	117,900.00	102,900.00	83,599.20	2,134.39	17,166.41	
Senior Citizen Programs						
Salaries and Wages	43,426.00	45,696.00	44,346.00		1,350.00	
Other Expenses	53,780.00	57,480.00	53,820.12	295.57	3,364.31	
Uniform Contruction Code - Appropriations						
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Office						
Salaries and Wages	57,506.00	57,506.00	56,596.24		109.76	800.00
Other Expenses	10,730.00	5,730.00	4,196.39	415.61	118.00	1,000.00
Unclassified:						
Utilities:						
Street Lighting	275,000.00	255,000.00	226,355.61	14,360.96	14,283.43	
Gasoline	180,000.00	160,000.00	106,026.43	4,653.26	29,320.31	20,000.00
Water/Sewer	5,000.00	5,200.00	4,499.01	124.76	576.23	
Gas	20,000.00	20,000.00	18,030.37	902.66	1,066.97	
Traffic Lights	6,000.00	6,000.00	4,197.65	233.35	1,569.00	
Electric	160,000.00	160,000.00	119,946.97	11,293.16	28,759.87	
Telephone	97,100.00	104,600.00	94,338.91	5,020.19	5,240.90	
Heat	58,000.00	48,000.00	17,934.56	835.65	19,229.79	10,000.00
Demolition of Buildings						
Other Expenses	15,000.00	15,000.00	4,784.13	3,059.06	2,156.81	5,000.00

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Recreation and Education (Cont'd)						
Urban Enterprise Zone						
Salaries and Wages	$59,845.00	$59,845.00	$59,845.00			
Other Expenses	52,100.00	22,100.00	11,402.29	$4,984.50	$5,713.21	
Contingent	100.00	100.00			100.00	
Total Operations --within "CAPS"	11,753,200.00	11,753,200.00	10,755,508.94	307,262.22	603,103.84	$87,325.00
Detail:						
Salaries and Wages	6,235,923.00	6,043,398.00	5,858,714.11		180,558.89	4,125.00
Other Expenses (Including Contingent)	5,517,277.00	5,709,802.00	4,896,794.83	307,262.22	422,544.95	83,200.00
DEFERRED CHARGES AND STATUTORY EXPENDITURES --MUNICIPAL--WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System						
Social Security System (O.A.S.I.)	490,000.00	490,000.00	489,314.95		685.05	
System of N.J.	58,171.19	58,171.19	58,171.19			
Unemployment Compensation Insurance	5,000.00	5,000.00	5,000.00			
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	553,171.19	553,171.19	552,486.14	---	685.05	---
Total General Appropriations for Municipal Purposes Within--"CAPS"	12,306,371.19	12,306,371.19	11,307,995.08	307,262.22	603,788.89	87,325.00
OPERATIONS-- EXCLUDED FROM "CAPS"						
Municipal Court						
Salaries and Wages	264,822.00	264,822.00	260,322.04		2,499.96	2,000.00
Other Expenses	37,340.00	37,340.00	30,811.40	5,558.73	969.87	
Pemberton Community Library Association -Aid to Library (NJS 40:54-35)	10,000.00	10,000.00				10,000.00
Public Assistance - State Aid Agreement	10,000.00	10,000.00	10,000.00			

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations: Original Budget	Appropriations: Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Canceled
OPERATIONS-- EXCLUDED FROM "CAPS" (CONT'D)						
State and Federal Programs Off-set by Revenues:						
Safe and Secure Commumities Program						
Other Expenses	$60,000.00	$60,000.00	$60,000.00			
US Dept of Justice - Cops in School	80,000.00	80,000.00	80,000.00			
US Dept of Justice - Cops in School - Local Match	23,056.92	23,056.92	23,056.92			
Clean Communities Grant						
Other Expenses	54,532.00	54,532.00	54,532.00			
Drunk Driving Enforcement Fund						
Salaries and Wages	9,085.11	9,085.11	9,085.11			
Municipal Drug Alliance Grant						
State Share	19,535.00	19,535.00	19,535.00			
Township Share	4,883.75	4,883.75	4,883.75			
Local Law Enforcement Grant						
Salaries and Wages (40A:4-87 $22,489.00)		22,489.00	22,489.00			
Total Operations Excluded from "CAPS"	573,254.78	595,743.78	574,715.22	$5,558.73	$3,469.83	$12,000.00
Detail:						
Salaries and Wages	264,822.00	287,311.00	282,811.04		2,499.96	2,000.00
Other Expenses	308,432.78	308,432.78	291,904.18	5,558.73	969.87	10,000.00
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	---	---	---
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	893,700.00	893,700.00	893,700.00			
Interest on Bonds	405,304.43	405,304.43	397,279.44			8,024.99
Interest on Notes	136,553.43	136,553.43	135,850.00			703.43
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	28,282.32	28,282.32	28,282.32			
Total Municipal Debt Service-- Excluded from "CAPS"	1,463,840.18	1,463,840.18	1,455,111.76	---	---	8,728.42

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS" (CONT'D)						
DEFERRED CHARGES:						
Deficit in Uniform Construction Code	$37,528.09	$37,528.09	$37,528.09	---	---	---
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	2,174,623.05	2,197,112.05	2,167,355.07	$5,558.73	$3,469.83	$20,728.42
Subtotal General Appropriations	14,480,994.24	14,503,483.24	13,475,350.15	312,820.95	607,258.72	108,053.42
Reserve for Uncollected Taxes	1,686,481.66	1,686,481.66	1,686,481.66	---	---	---
Total General Appropriations	$16,167,475.90	$16,189,964.90	$15,161,831.81	$312,820.95	$607,258.72	$108,053.42
Adopted Budget		$16,167,475.90				
Appropriation by NJSA 40A:4-87		22,489.00				
		$16,189,964.90				
Disbursed			$13,164,240.28			
Deficit in Uniform Construction Code			37,528.09			
Reserve for Uncollected Taxes			1,686,481.66			
Grants Appropriated			273,581.78			
			$15,161,831.81			

TOWNSHIP OF PEMBERTON
TRUST FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

	Ref.	2001	2000
ASSETS			
Dog License Fund:			
Cash	SB-1	$7,619.14	$6,855.19
Other Funds:			
Cash--Treasurer	SB-1	998,013.27	1,182,143.04
Cash--Collector	SB-2	55,501.33	37,902.33
Due Water Utility Operating Fund	SB-5	15,500.00	
Deficit in Uniform Construction Code	SB-8		37,528.09
Mortgages Receivable	SB-9	102,147.73	
Accounts Receivable -- Other	SB-10	25,617.73	
		1,196,780.06	1,257,573.46
		$1,204,399.20	$1,264,428.65
LIABILITIES, RESERVES AND FUND BALANCE			
Dog License Fund:			
Reserve for Dog Fund Expenditures	SB-3	$4,189.14	$3,546.52
Due Current Fund	SB-1	3,207.40	3,167.67
Due to State of New Jersey	SB-4	222.60	141.00
		7,619.14	6,855.19
Other Funds:			
Reserve for Special Law Enforcement	SB-1	16,635.67	10,527.32
Reserve for Recreation Contributions	SB-1	12,151.02	11,066.92
Reserve for Presidential Lakes Recreation		15,000.00	15,000.00
Reserve for Public Defender Fees	SB-1	16,894.00	16,028.00
Reserve for Self Insurance	SB-6	138,329.06	216,330.20
Reserve for Employee Healthcare Insurance	SB-10	681.49	14,769.87
Reserve for New Jersey Unemployment Compensation	SB-5	77,435.96	57,642.03
Reserve for Escrow Deposits	SB-1	262,038.30	248,307.88
Reserve for Municipal Drug Alliance	SB-1	3,883.88	3,418.95
Reserve for Green Acres Contributions		896.64	896.64
Reserve for Lighting on Mirror Lake Dam Contributions		22,765.64	22,765.64
Reserve for Local Law Enforcement Block Grant	SB-1 ; SA-1	9,441.29	1,332.49
Reserve for RCA Trust	SB-1	109,941.54	135,397.50
Reserve for Urban Enterprise Zone	SB-1	54,401.91	
Reserve for FIA / NJB Builders -- Presidential Lakes	SB-1	78,054.00	76,703.73
Reserve for Senior Citizen Building Contributions	SB-1	1,273.00	156.00
Reserve for Veterans Memorial Contributions	SB-1	670.00	620.00
Reserve for Schneider -- Remax	SB-1	6,816.06	
Reserve for Dare Trust	SB-1	1,557.89	2,131.00
Reserve for Fire Safety	SB-1	286.25	654.15
Reserve for Municipal Court Escrow	SB-1	2,236.29	2,143.40
Reserve for Body Armor Contributions	SB-1	4,320.09	13.90
Reserve for Redemption of Tax Title Liens	SB-2 ; SB-8		1,295.83
Reserve for Tax Sale Premiums	SB-2 ; SB-8	32,650.00	12,650.00
Reserve for Payroll Retroactive Pay	SB-1		198,212.49
Reserve for Payroll Deductions Payable	SB-7	54,761.16	50,881.66
Reserve for Community Development Block Grant	SB-1	5,209.41	5,308.75
Reserve for Uniform Construction Code	SB-1	21,050.53	
Reserve for Mortgages Receivable	SB-9	102,147.73	
Due State of New Jersey -- DCA Fees	SB-1	2,755.00	2,470.00
Due Federal and State Grant Fund	A	31,076.97	14,464.20
Due to Current Fund	SB-8	111,419.28	136,384.91
		1,196,780.06	1,257,573.46
		$1,204,399.20	$1,264,428.65

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

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

	Ref.	2001	2000
ASSETS			
Cash	SC-1	$3,298,758.98	$573,889.67
Deferred Charges to Future Taxation:			
Funded	SC-3	8,279,887.33	8,479,378.41
Unfunded	SC-5	15,790,344.48	14,513,344.48
Due from State of New Jersey:			
Environmental Infrastructure Trust	SC-4	714,000.00	
Green Acres Trust	SC-4	250,000.00	674,897.48
		$28,332,990.79	$24,241,510.04
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	SC-10	$7,056,818.00	$7,950,518.00
Bond Anticipation Notes	SC-11	10,839,000.00	4,900,000.00
Green Acres Loan	SC-12	509,069.33	429,485.41
Environmental Infrastructure Loan	SC-13	714,000.00	
Improvement Authorizations:			
Funded	SC-6	559,969.54	136,101.34
Unfunded	SC-6	6,158,182.87	6,379,989.06
Capital Improvement Fund	SC-8	48,494.00	37,494.00
Due to Current Fund	SC-9	142,835.32	19,540.96
Due to Federal and State Grant Fund	A	18,078.27	18,078.27
Due to State of New Jersey:			
Green Acres Trust	SC-4		424,897.48
Green Acres Advanced Payments	SC-12		99,375.00
Reserve to Pay Bonds and Notes	SC-15	961,351.39	101,351.39
Contracts Payable	SC-7	817,238.85	3,261,070.47
Accounts Payable	SC-6	184,061.24	
Reserve for Encumbrances	SC-7	108,751.82	
Retainage Due Contractors	C-1		8,183.00
Fund Balance	C-1	215,140.16	475,425.66
		$28,332,990.79	$24,241,510.04

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

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Changes in Fund Balance
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$475,425.66
Increased By:		
Retainage Due Contractors Canceled	$8,183.00	
Premium on Sale of Notes	1,531.50	
		9,714.50
		485,140.16
Decreased By:		
Transferred to Reserve to Pay Bonds and Notes		270,000.00
Balance Dec. 31, 2001		$215,140.16

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

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

ASSETS	Ref.	2001	2000
Operating Fund:			
Cash--Treasurer	SD-1	$403,995.04	$364,904.89
Investment in Capital Fund	SD-9		21,000,00
Due from Bank	D-1		355.00
Due from Water Capital Fund	SD-9	157,861.77	123,013.54
		561,856.81	509,273.43
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-3	414,890.00	359,186.71
Road Opening Deposit	D-1		2,500.00
Water Liens Receivable	SD-4	17,583.10	33,453.47
		432,473.10	395,140.18
Total Operating Fund		994,329.91	904,413.61
Capital Fund:			
Cash--Treasurer	SD-1	669,711.45	820,344.62
Fixed Capital	SD-6	4,960,111.64	4,909,527.71
Fixed Capital Authorized and Uncompleted	SD-5	2,426,431.00	2,426,431.00
Total Capital Fund		8,056,254.09	8,156,303.33
		$9,050,584.00	$9,060,716.94

(Continued)

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	2001	2000
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-1;D-3	$64,551.07	$34,199.86
Reserve for Encumbrances	D-3	87,184.65	
Accounts Payable	SD-1; D-1		24,651.96
Due to Trust Other Fund	D-3	15,500.00	
Accrued Interest on Bonds and Notes	SD-7	23,612.78	25,648.78
Water Overpayments	SD-1	4,348.53	
Unallocated Receipts	D-1		19,025.00
		195,197.03	103,525.60
Reserve for Receivables	D	432,473.10	395,140.18
Fund Balance	D-1	366,659.78	405,747.83
Total Operating Fund		994,329.91	904,413.61
Capital Fund:			
Serial Bonds	SD-13	1,507,182.86	1,683,482.86
Bond Anticipation Notes	SD-12		21,000.00
Improvement Authorizations:			
Funded	SD-10	461,432.75	598,466.45
Unfunded	SD-10	9,080.99	9,080.99
Capital Improvement Fund		7.00	7.00
Reserve for Encumbrances	SD-1		30,447.70
Dept. of Environmental Protection Loan Payable	SD-14	353,547.53	487,179.00
Due to Water Operating Fund	SD-9	157,861.77	123,013.54
Reserve for Amortization	SD-11	5,080,948.25	4,720,432.85
Deferred Reserve for Amortization	SD-8	334,400.00	331,400.00
Reserve for Payment of Bonds -- Well Construction		150,000.00	150,000.00
Fund Balance		1,792.94	1,792.94
Total Capital Fund		8,056,254.09	8,156,303.33
		$9,050,584.00	$9,060,716.94

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

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statements of Operations and Changes in Operating Fund Balance--Statutory Basis
For the Years Ended December 31, 2001 and 2000

Revenue and Other Income Realized	2001	2000
Fund Balance Realized	$173,068.77	$97,820.00
Water Rents	1,187,604.08	1,321,601.48
Miscellaneous Revenue Anticipated	276,468.30	112,384.53
Miscellaneous Revenue Not Anticipated		1,303.63
Other Credits to Income:		
Cancellation of Accounts Payable	6,891.11	
Cancellation of Unallocated Receipts	19,025.00	
Unexpended Balance of Appropriation Reserves	34,199.86	22,227.04
Total Income	1,697,257.12	1,555,336.68
Expenditures		
Operating	944,485.00	842,012.00
Capital Outlay	69,000.00	75,000.00
Debt Service	406,836.40	426,258.00
Deferred Charges and Statutory Expenditures	55,500.00	53,550.00
Surplus - General Budget	84,100.00	83,000.00
Cancellation of Due from Bank	355.00	
Refund of Prior Year Revenue	3,000.00	217.00
Total Expenditures	1,563,276.40	1,480,037.00
Excess (Deficit) in Revenue	133,980.72	75,299.68
Adjustments to Income Before Fund Balance	—	—
Statutory Excess to Fund Balance	133,980.72	75,299.68
Fund Balance		
Balance Jan. 1	405,747.83	428,268.15
	539,728.55	503,567.83
Utilized as Revenue:		
Water Operating Budget	173,068.77	97,820.00
Balance Dec. 31	$366,659.78	$405,747.83

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

TOWNSHIP OF PEMBERTON
WATER UTILITY OPERATING FUND
Statement of Revenues--Statutory Basis
For the Year Ended December 31, 2001

	Anticipated Budget	Realized	Excess (Deficit)
Operating Surplus Anticipated	$173,068.77	$173,068.77	
Water Rents	1,300,000.00	1,187,604.08	($112,395.92)
Miscellaneous	88,000.00	276,468.30	188,468.30
Total Water Revenues	$1,561,068.77	$1,637,141.15	$76,072.38
Analysis of Realized Revenues			
Water Rents Receivable -- Collections	$1,175,813.25		
Water Utility Liens -- Collections	11,790.83		
		1,187,604.08	
Miscellaneous:			
Interest on Delinquent Accounts	$32,455.88		
Interest on Deposits	17,921.35		
Connection Fees Less Refunds	194,843.59		
		$245,220.82	
Due from Water Utility Capital Fund:			
Interest on Investments		31,247.48	
		$276,468.30	

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

TOWNSHIP OF PEMBERTON
WATER UTILITY OPERATING FUND
Statement of Expenditures--Statutory Basis
For the Year Ended December 31, 2001

	Original Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Canceled
Operating:						
Salaries and Wages	$458,575.00	$458,575.00	$456,134.02		$2,440.98	
Other Expenses	485,910.00	485,910.00	360,066.04	$77,714.65	48,129.31	
Total Operating	944,485.00	944,485.00	816,200.06	77,714.65	50,570.29	---
Capital Outlay	69,000.00	69,000.00	50,583.93	9,470.00	8,946.07	---
Debt Service:						
Payment of Bond Principal	309,931.47	309,931.47	309,931.47			
Payment of Bond Anticipation Notes	3,000.00	3,000.00	3,000.00			
Interest on Bonds	95,052.30	95,052.30	93,904.93			$1,147.37
Total Debt Service	407,983.77	407,983.77	406,836.40	---	---	1,147.37
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Unemployment Compensation Insurance	15,500.00	15,500.00	15,500.00			
Social Security System (O.A.S.I.)	40,000.00	40,000.00	34,965.29		5,034.71	
Total Deferred Charges and Statutory Expenditures	55,500.00	55,500.00	50,465.29	---	5,034.71	---
Surplus - General Budget	84,100.00	84,100.00	84,100.00	---	---	---
Total Water Utility Appropriations	$1,561,068.77	$1,561,068.77	$1,408,185.68	$87,184.65	$64,551.07	$1,147.37
Disbursed			$1,295,780.75			
Due to Trust Other Fund			15,500.00			
Due Water Capital -- Bond Anticipation Notes			3,000.00			
Accrued Interest on Bonds and Notes			93,904.93			
			$1,408,185.68			

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Statutory Basis
As of December 31, 2001 and 2000

	Ref.	2001	2000
ASSETS			
Operating Fund:			
Cash	SE-1	$77,051.34	$74,536.70
Due Current Fund	A	3,333.60	3,333.60
Total Operating Fund		80,384.94	77,870.30
Capital Fund:			
Fixed Capital	SE-4	11,639,040.00	11,639,040.00
		$11,719,424.94	$11,716,910.30
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Accrued Interest on Bonds and Notes	SE-2	$31,109.95	$32,118.87
Fund Balance	E-1	49,274.99	45,751.43
Total Operating Fund		80,384.94	77,870.30
Capital Fund:			
Serial Bonds	SE-5	6,881,897.20	7,105,083.78
Reserve for Amortization	SE-3	4,757,142.80	4,533,956.22
Total Capital Fund		11,639,040.00	11,639,040.00
		$11,719,424.94	$11,716,910.30

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

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statements of Operations and Changes in Operating Fund Balance--Statutory Basis
For the Years Ended December 31, 2001 and 2000

	2001	2000
Revenue and Other Income Realized		
Lease Agreement Payments	$575,640.00	$575,640.00
Interest on Deposits	2,514.64	4,327.99
Total Income	578,154.64	579,967.99
Expenditures		
Debt Service	574,631.08	574,220.25
Statutory Excess to Fund Balance	3,523.56	5,747.74
Fund Balance		
Balance Jan. 1	45,751.43	40,003.69
Balance Dec. 31	$49,274.99	$45,751.43

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

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Revenues--Statutory Basis
For The Year Ended December 31, 2001

	Anticipated Budget	Realized	Excess
Lease Agreement -- Pemberton Township MUA	$575,640.00	$575,640.00	
Interest on Investments and Deposits		2,514.64	$2,514.64
	$575,640.00	$578,154.64	$2,514.64

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

18400

Exhibit E-3

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Expenditures--Statutory Basis
For The Year Ended December 31, 2001

	Appropriations		Expended			Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Debt Service:						
Payment of Bond Principal	$223,200.76	$223,200.76	$223,186.58			$14.18
Interest on Bonds	352,439.24	352,439.24	351,444.50			994.74
Total	$575,640.00	$575,640.00	$574,631.08	---	---	$1,008.92
Accrued Interest on Bonds and Notes			$351,444.50			
Disbursed			223,186.58			
			$574,631.08			

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

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE FUND
Statement of Assets, Liabilities and Reserves -- Statutory Basis
As of December 31, 2001 and 2000

ASSETS	Ref.	2001	2000
Cash--P.A.T.F. Account #1	SF-1	$20,551.77	$12,720.71
Cash--P.A.T.F. Account #2	SF-1		80.27
Due from Current Fund	A	5,000.00	5,000.00
		$25,551.77	$17,800.98
LIABILITIES AND RESERVES			
Reserve for Public Assistance		$25,551.77	$17,800.98

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

TOWNSHIP OF PEMBERTON
Notes to Financial Statements
For the Year Ended December 31, 2001

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

Description of Financial Reporting Entity – The Township, located in the eastern portion of Burlington County ("County"), has evolved from an early seasonal resort and agricultural community into a year round residential community. Lebanon State Forest, containing 30,000 acres of numerous types of oak and pine trees, is partially located in the Township. With a land area of 65 square miles, the Township is the fourth largest municipality in the County. The present population according to the 2000 census is 28,691.

The Township is governed by an elected council ("Council") consisting of 5 members which serve for concurrent 4 year terms and a separately elected mayor who serves a 4 year term. The Mayor-Council form of government is provided for under the Faulkner Act. The Mayor is not a member of the governing body, but serves as the chief executive officer. The functions of the Council, as the governing body, are legislative.

Administrative responsibilities are assigned to the Township Administrator. The Council establishes policy. The Administrator is responsible for the day-to-day operations of the Township and implementing and administering policy.

Component Unit - The financial statements of the component unit of the Township of Pemberton are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Pemberton Municipal Utilities Authority
131 Fort Dix Road
P.O. 247
Pemberton, New Jersey 08068-1539

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

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Pemberton 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 of Audit 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.

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

In accordance with the "Requirements", the Township of Pemberton 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.

Water Utility Operating and Capital Funds - The Water Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for annual lease payments received from the Pemberton Municipal Utilities Authority and annual debt payments made for financing the acquisition and improvements made to the Sewer system, and any associated costs. Operations are handled by the Municipal Utilities Authority (See Note 17)

Public Assistance Fund - The Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

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

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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

Cash, Cash Equivalents and Investments (Cont'd)

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. 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, 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 the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with 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 full amount of their deposits to the Governmental Units.

The Township of Pemberton deposits 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 balance sheets.

General Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 85-2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements. Donated general fixed assets are valued at their estimated fair market value on the date received.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

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

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

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed 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 tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

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

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township 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 Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington and the Township of Pemberton School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

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

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

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

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township 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 an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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

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

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

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

Note 2: CASH

All bank deposits as of the date of the statement of assets, liabilities, reserves and fund balance are classified as to credit risk by the three categories described below:

Category 1
Insured or collateralized with securities held by the Township or by its agent in the Township's name.

Category 2
Collateralized with securities held by the pledging public depository's trust department or agent in the Township's name.

Category 3
Uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository, or by its trust department or agent but not in the Township's name.

Note 2: **CASH (CONT'D)**

At December 31, 2001, the Township's deposits are summarized as follows:

Category	Amount
1	$202,604.84
2	-
3	7,406,976.47
	$7,609,581.31

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Fund's participants. Deposits with the New Jersey Cash Management Fund are not subject to categorization as defined above. At December 31, 2001, the Township's deposits with the New Jersey Cash Management Fund were $2,509,410.66.

Note 3: **INVESTMENTS**

Investments made by the Township are summarized below. The investments that are represented by specified identifiable investment securities are classified as to credit risk by the three categories described below:

Category 1
Insured or registered, with securities held by the Township or by its agent in the Township's name.

Category 2
Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Township's name.

Category 3
Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Township's name.

At December 31, 2001, the Township's investments are summarized as follows:

Category	Carrying Value	Fair Value
1	-	-
2	-	-
3	$360,078.68	$360,078.68
	$360,078.68	$360,078.68

Note 3: **INVESTMENTS (CONT'D)**

Investments held by the Township at December 31, 2001 were allocated as follows: 87% U.S. Government Discount Notes and Securities, 3% Medium Term Notes, 1% Repurchase Agreements secured by U.S. Treasury Bonds and 9% Money Market Fund.

Note 4: **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.

Comparative Schedule of Tax Rates

	2001	2000	1999	1998	1997
Tax Rate	$2.706	$2.703	$2.629	$2.524	$2.518
Apportionment of Tax Rate:					
Municipal	0.856	0.826	0.773	0.677	0.678
County	0.536	0.548	0.545	0.531	0.535
Local School District	1.314	1.329	1.311	1.316	1.305

Assessed Valuation

Year	
2001	$840,533,231.00
2000	834,973,630.00
1999	832,317,086.00
1998	829,097,196.00
1997	825,285,165.00

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2001	$22,831,201.40	$21,551,866.38	94.40%
2000	22,698,339.96	21,240,936.32	93.58%
1999	22,023,220.89	20,513,957.76	93.15%
1998	21,102,346.00	19,459,969.00	92.22%
1997	20,920,805.00	19,473,371.00	93.08%

Note 4: **PROPERTY TAXES (CONT'D)**

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.

Delinquent Taxes and Tax Title Liens

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2001	$2,422,633.84	$1,151,811.00	$3,574,444.84	15.66%
2000	2,654,427.15	1,299,137.77	3,953,564.92	17.42%
1999	2,766,639.94	1,425,480.74	4,192,120.68	19.04%
1998	2,582,420.00	1,565,824.00	4,148,244.00	19.66%
1997	2,939,984.00	1,335,229.00	4,275,213.00	20.44%

Note 5: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

Year	Amount
2001	$12,972,600.00
2000	3,378,764.90
1999	3,388,564.00
1998	3,708,493.00
1997	1,353,913.00

Note 6: **WATER UTILITY SERVICE CHARGES**

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

	Balance Beginning of Year				Cash
Year	Receivable	Liens	Levy	Total	Collections
2001	$359,186.71	$33,453.47	$1,239,170.33	$1,631,810.51	$1,187,604.08
2000	435,779.04	17,421.21	1,261,041.41	1,714,241.66	1,321,601.48
1999	381,927.80	25,818.63	1,336,856.15	1,744,602.58	1,291,402.33
1998	125,855.00	24,868.00	1,418,477.00	1,569,200.00	1,166,740.00
1997	175,449.00	19,631.00	1,142,673.00	1,337,753.00	1,188,147.00

Note 7: **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.

Year	Balance Dec. 31	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund			
2001	$2,108,825.86	$1,600,000.00	75.87%
2000	2,018,790.95	1,036,171.19	51.33%
1999	1,394,307.18	750,000.00	53.79%
1998	195,760.00	40,000.00	20.43%
1997	1,144,822.00	949,062.00	82.90%
Water Utility Operating Fund			
2001	$366,659.78	$306,327.19	83.55%
2000	405,747.83	173,068.77	42.65%
1999	428,268.15	97,820.00	22.84%
1998	435,729.65	83,000.00	19.05%
1997	334,203.00	-	-
Sewer Utility Operating Fund			
2001	$49,274.99	-	-
2000	45,751.43	-	-
1999	40,003.69	-	-
1998	35,970.64	-	-
1997	31,507.64	-	-

Note 8: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various balance sheets as of December 31, 2001:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	$257,462.00	$8,333.60
Federal and State Grant Fund	49,155.24	
Dog License Fund		3,207.40
Trust Other Funds	15,500.00	142,496.25
General Capital Fund		160,913.59
Water Utility Operating Fund	157,861.77	15,500.00
Water Utility Capital Fund		157,861.77
Sewer Utility Operating Fund	3,333.60	
Public Assistance Fund	5,000.00	
	$488,312.61	$488,312.61

Note 9: PENSION PLANS

The Township of Pemberton contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System and the Police and Firemen's Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. These plans provide 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 for the PERS and N.J.S.A. 43:16A and 43:3B for the PFRS. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

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 are required to contribute 5% of their annual covered salary. However, Chapter 115, P.L. 1997 provides for a reduction in this rate to 4.5% for calendar years 1998 and 1999. Chapter 415, P.L. 1999 provides for a reduction in this rate to 3% for calendar years 2000 and 2001 and for a contribution rate reduction of up to 2% of compensation in future calendar years if the State Treasurer determines that excess valuation assets will be used to reduce the normal contributions made to the system by the State and local employers in a fiscal year beginning immediately prior to a calendar year. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The Township is billed annually for its normal contribution plus any accrued liability. The Township has an accrued liability on account of prior service costs for their enrolled employees. As of December 31, 2001, the accrued liability for the Police and Firemen's Retirement System was $989,148.00, payable in annual installments of $31,908.00 with the last installment due on April 1, 2032. The 2001 installment of the accrued liability for the PFRS in the amount of $37,080.00 was fully funded by the Chapter 8 Funding Credit. The 2001 annual installment of the accrued liability for the PERS in the amount of $10,640.00 was fully funded by the State of New Jersey.

Note 9: PENSION PLANS (CONT'D)

The Township's contributions to the various plans, equal to the required contributions, were as follows:

Year	PERS	PFRS
2001	$17,542.00 *(A)*	$173,494.00 *(B)*
2000	52,833.00 *(A)*	146,728.00
1999	51,220.00 *(A)*	174,875.00

(A) Funded by the Pension Security Act Credit

(B) Partially funded by the Pension Cost Stabilization Act Credit

Note 10: COMPENSATED ABSENCES

Unused vacation time may be carried forward to the subsequent year for current year's vacation time only.

Salaried employees, designated in Ord. 16-1992, are entitled to unlimited sick days. Salaried employee may sell sick time back at 50% its value; however, employee must leave a minimum 120 hours.

Employees who are members of PBA - Superior Officers and AFSCME have 3 different sick time maximums, based off of employee's total sick time at January 1, 1999. If employee's total was under $5,000.00 that maximum set at $5,000.00. If employee's total was under $10,000.00 and over $5,000.00, maximum is set at the total at that time. If employee's total were over $10,000.00, then maximum amount of sick time entitled to employee would be $10,000.00. Sick time may be sold back at 50% it's value; however, employee must leave a minimum of 120 hours.

Employees who are members of PBA are entitled to sell back 50% of accumulated sick time, not to exceed maximum of $10,000.00. Employee is required to maintain a minimum of 120 hours.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2001, accrued benefits for compensated absences are valued at $559,232.01.

Note 11: DEFERRED COMPENSATION SALARY ACCOUNT

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

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors.

Note 12: CAPITAL DEBT

Summary of Debt

	Year 2001	Year 2000	Year 1999
Issued			
General:			
Bonds, Loans and Notes	$19,118,887.33	$13,280,003.41	$14,131,884.52
Water Utility:			
Bonds, Loans and Notes	1,860,730.39	2,191,661.86	2,511,574.86
Sewer Utility:			
Bonds	6,881,897.20	7,105,083.78	7,317,516.00
Total Issued	27,861,514.92	22,576,749.05	23,960,975.38
Authorized but not Issued			
General:			
Bonds and Notes	4,951,344.48	9,613,344.48	6,732,736.48
Water Utility:			
Bonds and Notes	110,464.00	92,464.00	92,464.00
Total Authorized but Not Issued	5,061,808.48	9,705,808.48	6,825,200.48
Total Issued and Authorized but Not Issued	32,923,323.40	32,282,557.53	30,786,175.86
Deductions:			
Funds Temporarily Held To Pay Bonds	961,351.39	-	-
Self-liquidating Debt	8,853,091.59	9,389,209.64	9,921,554.86
Total Deductions	9,814,442.98	9,389,209.64	9,921,554.86
Net Debt	$23,108,880.42	$22,893,347.89	$20,864,621.00

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 2.85%.

	Gross Debt	Deductions	Net Debt
Local School District	$10,000,000.00	$10,000,000.00	
Water Utility	1,971,194.39	1,971,194.39	
Sewer Utility	6,881,897.20	6,881,897.20	
General	24,070,231.81	961,351.39	$23,108,880.42
	$42,923,323.40	$19,814,442.98	$23,108,880.42

Note 12: **CAPITAL DEBT (CONT'D)**

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

Net Debt $23,108,880.42 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, $810,369,319.67 equals 2.85%.

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

3 1/2% of Equalized Valuation Basis (Municipal)		$28,362,926.19
Net Debt		23,108,880.42
Remaining Borrowing Power		$ 5,254,045.77

Calculation of "Self Liquidating Purpose," Water Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year		$1,637,141.15
Deductions:		
Operating and Maintenance Cost	$999,985.00	
Debt Service per Water Fund	406,836.40	
Total Deductions		1,406,821.40
Excess in Revenue		$ 230,319.75

Calculation of "Self Liquidating Purpose," Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, interest and Other Investment Income, and Other Charges for Year		$578,154.64
Deductions:		
Debt Service per Sewer Fund		574,631.08
Excess in Revenue		$ 3,523.56

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

Note 12: **CAPITAL DEBT (CONT'D)**

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

General

Year	Principal	Interest	Total
2002	$1,032,795.13	$ 391,743.02	$ 1,424,538.15
2003	926,034.83	327,621.09	1,253,655.92
2004	922,180.80	282,360.20	1,204,541.00
2005	1,003,717.71	236,813.52	1,240,531.23
2006	993,779.79	186,966.70	1,180,746.49
2007-21	3,401,379.07	495,069.80	3,896,448.87
	$8,279,887.33	$1,920,574.33	$10,200,461.66

Water Utility

Year	Principal	Interest	Total
2002	$ 314,309.77	$ 86,190.99	$ 400,500.76
2003	283,752.54	73,191.26	356,943.80
2004	213,164.22	61,567.75	274,731.97
2005	158,662.00	53,373.56	212,035.56
2006	157,599.00	45,361.12	202,960.12
2007-11	733,242.86	102,204.70	835,447.56
	$1,860,730.39	$ 421,889.38	$ 2,282,619.77

Sewer Utility

Year	Principal	Interest	Total
2002	$ 233,775.41	$ 341,864.59	$ 575,640.00
2003	245,610.29	330,029.71	575,640.00
2004	258,044.31	317,595.69	575,640.00
2005	271,107.81	304,532.19	575,640.00
2006	284,832.63	290,807.37	575,640.00
2007-20	5,588,526.75	2,181,663.25	7,770,190.00
	$6,881,897.20	$3,766,492.80	$10,648,390.00

Note 13: LEASE OBLIGATIONS

At December 31, 2001, the Township had lease agreements in effect for the following:

Operating:
- Photocopiers
- Folding Machine
- Postage Machine

Future minimum rental payments under operating lease agreements are as follows:

Year	Amount
2002	$15,577.44
2003	13,462.44
2004	12,757.44
2005	7,189.44
2006	2,975.84

Rental payments under operating leases for the year 2001 were $12,601.60.

Note 14: POSTEMPLOYMENT BENEFITS

The Township currently pays medical, dental and/or prescription benefits for twelve retired employees. The Township accounts for and finances such expenses on a pay-as-you-go basis. The expense for this benefit for the year ended December 31, 2001 was $102,705.46.

Note 15: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township 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 Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund:

Year	Township Contributions	Amount Reimbursed	Ending Balance
2001	$20,500.00	$6,174.09	$77,435.96

Note 16: RISK MANAGEMENT

The Township has adopted a plan of self-insurance for auto liability, general liability and workers' compensation insurance and has established the Reserve for Self Insurance in the Trust Other Fund to account for and finance its related uninsured risks of loss up to $100,000.00 per any one accident. Coverage for claims in excess of $100,000.00 per any one accident is provided by the New Jersey Municipal Self Insurer's Fund. The Township pays the claims on a pay-as-you-go method. At December 31, 2001, the balance of the Reserve for Self Insurance was $138,329.06, and the balance of estimated workers' compensation claims payable was $226,624.35, the amount that the records of the administrator of the plan show as potential claims. Any additional funds required for claims in excess of the amounts reserved will be paid and charged to the 2002 or future budgets.

The Township also participates in a self-insured plan for the reimbursement to employees for approved medical and prescription claims. The claims are on an incurred method basis. The program is administered by a private third-party agency. Terms of the plan require the Township to pay an accumulated amount not to exceed $50,000.00 of claims annually for each employee. Amounts in excess of $50,000.00 are covered by a commercial insurance policy. The Township pays the claims on a pay-as-you-go method. At December 31, 2001, the balance of the Reserve for Employee Health Insurance was $681.49, and the balance of estimated claims payable was $192,241.47, the amount that the records of the administrator of the plan show as potential claims. Any additional funds required for claims in excess of the amounts reserved will be paid and charged to the 2002 or future budgets.

Note 17: LEASE PURCHASE – PEMBERTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

In 1980, the Township acquired the assets of the Pemberton Township Municipal Utilities Authority. The purchase price was $7,170,000.00. In addition to the acquisition, the Township and the existing Municipal Utilities Authority entered into a lease agreement whereby the Authority would operate the sewer utility and perform all the management and fiscal functions under certain conditions disclosed in an agreement between the two bodies. The amount of the annual lease payment to the Township will be equal to the annual debt payment the Township pays for financing the acquisition, improvements made to the system, and any associated fees and costs. At the end of the indebtedness in year 2020, the assets and operation of the sewer system will be remitted by the Township to the Authority for a nominal value.

Note 18: LITIGATION

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

Note 19: SUBSEQUENT EVENTS

Subsequent to December 31, the Township of Pemberton authorized additional Bonds and Notes as follows:

Purpose	Date	Amount
General Capital:		
Bonds and Notes:		
Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	April 4, 2002	$2,213,500.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Current Cash and Reconciliation - Per N.J.S.40A:5-5--Treasurer
For the Year Ended December 31, 2001

	Regular		Federal and State Grant Fund	
Balance Dec. 31, 2000		$3,491,031.47		—
Increased by Receipts:				
Taxes Receivable	$22,126,251.10			
Tax Overpayments	90,078.26			
Tax Title Liens Receivable	25,616.00			
Trash Rents Receivable	1,569,951.29			
Trash Liens Receivable	1,537.55			
Trash Overpayments	10,732.75			
Interest and Costs on Taxes	261,551.34			
Prepaid Taxes	279,383.26			
Due State -- Senior Citizen and Veteran Deductions	344,146.35			
Petty Cash	400.00			
Energy Receipts Tax	1,424,642.00			
Supplemental Energy Receipts Tax	83,448.00			
Consolidated Municipal Property Tax Relief	1,988,411.00			
Legislative Initiative Block Grant	137,142.00			
Investments Redeemed	100,000.00			
Due State of New Jersey -- DYFS	4,825.00			
Revenue Accounts Receivable	800,471.10			
Operating Surplus -- Water Utility	84,100.00			
Due General Capital Fund	59,932.86			
Due Dog License Trust Fund	613.02			
Due Trust Other Fund	18,375.81			
Miscellaneous Revenue Not Anticipated	140,912.75			
Reserve for Sale of Municipal Assets	88,890.00			
Reserve for Rental Deposits	425.00			
Reserve for Garden State Trust -- PILOT	21,181.19			
Reserve for Performance Bonds	23,976.00			
Reserve for Free County Library	1,988.00			
Refunds (Contra)	8,267.01			
Federal and State Grants Receivable			$252,811.02	
Due Current Fund			104,008.55	
Matching Funds for Grants			2,628.75	
		29,697,248.64		$359,448.32
		33,188,280.11		359,448.32
Decreased by Disbursements:				
2001 Appropriations	13,164,240.28			
2000 Appropriation Reserves	445,892.82			
Petty Cash Funds	400.00			
Change Funds	450.00			
Refund Tax Overpayments	61,048.19			
County Taxes Payable	4,492,853.58			
Due County--Added and Omitted Taxes	28,138.27			
Local District School Taxes Payable	11,110,444.44			
Reserve for Free County Library	1,988.00			
Matching Funds for Grants	2,628.75			
Refunds (Contra)	8,267.01			
Investments Purchased	360,078.68			
Due General Capital Fund	100,000.00			
Due Federal and State Grant Fund	104,008.55			
Due Trust Other Fund			16,612.77	
Due State -- DYFS	4,625.00			
Refund of Prior Year Revenues	127.51			
Unappropriated Reserves			50,932.70	
Appropriated Reserves			276,197.45	
		29,885,191.08		343,742.92
Balance Dec. 31, 2001		$3,303,089.03		$15,705.40

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Current Cash and Reconciliation - Per N.J.S.40A:5-5--Treasurer
For the Year Ended December 31, 2001

Reconciliation Dec. 31, 2001		Regular	Federal and State Grant Fund
Balance per Certification of Farmers and Mechanics Bank Burlington, New Jersey Account No. 280-039-3915	$3,127,771.73		$15,705.40
Add: Deposits of Jan. 2,3,11, 2002	73,267.98		
	3,201,039.71		
Less: Outstanding Checks per Permanent Record	998,305.05		
		$2,202,734.66	
New Jersey Cash Management Jersey City, New Jersey Account No. 171-0000-69450		1,100,354.37	
Balance		$3,303,089.03	$15,705.40

TOWNSHIP OF PEMBERTON
CURRENT FUND
Schedule of Change Funds
As of December 31, 2001

Office	
Clerk of Municipal Court	$150.00
Tax Collector	300.00
	$450.00

Exhibit SA-3

CURRENT FUND
Statement of Petty Cash Funds
For the Year Ended December 31, 2001

Increased by:	
Disbursements	$400.00
Decreased by:	
Receipts	$400.00

Exhibit SA-3a

CURRENT FUND
Schedule of Investments
As of December 31, 2001

	Amount
Municipal Investors Service Corp. Armonk, New York 10504 Account Number 02-0064-2001	$360,078.68

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2001

Year	Balance Dec. 31, 2000	Additional	Levy	Collections 2000	Collections 2001	Due from State of New Jersey	Over-payments Applied	Canceled	Adjustments	Transferred to Tax Title Liens	Balance Dec. 31, 2001
Prior	$119,112.15				$72,080.98				$72,107.22	$14,283.75	$104,854.64
2000	1,180,025.62	$21,853.65			1,142,582.08	$250.00	$7,125.96	$271.59	(29,784.08)	21,865.56	
	1,299,137.77	21,853.65	---	---	1,214,663.06	250.00	7,125.96	271.59	42,323.14	36,149.31	104,854.64
2001	---	---	$22,831,201.40	$258,044.22	20,911,588.04	363,275.00	18,959.12	68,625.14	(42,323.14)	121,430.38	1,046,956.36
	$1,299,137.77	$21,853.65	$22,831,201.40	$258,044.22	$22,126,251.10	$363,525.00	$26,085.08	$68,896.73	---	$157,579.69	$1,151,811.00

Analysis of 2001 Tax Levy

Tax Yield			
General Purpose Tax		$22,758,388.32	
Added / Omitted Taxes (54:4-63.1, 12 et seq.)		72,813.08	
			$22,831,201.40
Tax Levy			
Local District School Tax		11,044,142.00	
County Taxes:			
County Tax	$3,896,952.82		
County Open Space Preservation Tax	324,325.81		
County Library Tax	271,574.95		
	4,492,853.58		
Due County for Added and Omitted Taxes	14,428.44		
Total County Taxes		4,507,282.02	
Local Tax for Municipal Purposes	7,202,488.45		
Add: Additional Tax Levied	77,288.93		
Local Tax for Municipal Purposes Levied		7,279,777.38	
			$22,831,201.40

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$2,654,427.15
Increased by:		
Sale of April 24, 2001:		
Transferred from Taxes Receivable	$157,579.69	
Interest and Cost of Sale to Date of Sale	19,569.17	
		177,148.86
		2,831,576.01
Decreased by:		
Collections	25,616.00	
Foreclosures – Transferred to Property Aquired for Taxes	383,326.17	
		408,942.17
Balance Dec. 31, 2001		$2,422,633.84

CURRENT FUND
Statement of Due from / to State of New Jersey Division of Youth and Family Services
For the Year Ended December 31, 2001

Balance Dec. 31, 2000 (Due from)		$17,510.00
Increased by:		
Payments		4,625.00
		22,135.00
Decreased by:		
Fees Collected	$4,825.00	
Canceled	18,635.00	
		23,460.00
Balance Dec. 31, 2001 (Due to)		$1,325.00

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2001

	Balance Dec. 31, 2000	Accrued in 2001	Collected	Transferred to Trash Rents and Liens	Due from General Capital Fund	Due from Trust Dog License Fund	Due from Trust Other Fund	Balance Dec. 31, 2001
Licenses:								
Alcoholic Beverages		$8,856.50	$8,856.50					
Other		6,100.00	6,100.00					
Fees and Permits		24,284.91	24,284.91					
Trailer Park Licenses and Fees		89,289.84	89,289.84					
Municipal Court Fines and Costs	$26,079.94	389,651.33	415,731.27					
Cable TV Franchise Fee	62,380.32		62,380.32					
Trash User Fees	282,131.10			$282,131.10				
Interest on Investments:								
Current Fund		190,750.00	190,750.00					
Dog License Trust Fund		652.75				$652.75		
Trust Other Fund		32,258.17					$32,258.17	
General Capital Fund		71,310.59			$71,310.59			
Municipal Court		3,078.26	3,078.26					
	$370,591.36	$816,232.35	$800,471.10	$282,131.10	$71,310.59	$652.75	$32,258.17	---

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Due from State of New Jersey Veteran's and Senior Citizens' Deductions
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$23,178.92
Increased by:		
2001 Veterans' and Senior Citizens' Deductions per Tax Billing	$354,150.00	
2001 Veterans' and Senior Citizens' Deductions Allowed by Tax Collector	9,125.00	
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector -- Prior Year	250.00	
		363,525.00
		386,703.92
Decreased by:		
Cash Received	344,146.35	
Veterans' and Senior Citizens' Deductions Disallowed by Tax Collector--Prior Taxes	21,853.65	
		366,000.00
Balance Dec. 31, 2001		$20,703.92

Exhibit SA-9

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Reserve For Proceeds From Sale of Township Assets
For the Year Ended December 31, 2001

Balance Dec. 31, 2000			$153,200.00
Increased by:			
Receipts:			
Sale of Foreclosed Property		$49,700.00	
Sale of Equipment		39,190.00	
			88,890.00
Balance Dec. 31, 2001			$242,090.00

Exhibit SA-10

CURRENT FUND
Statement of Property Acquired for Taxes--Assessed Valuation
For the Year Ended December 31, 2001

Balance Dec. 31, 2000			$3,378,764.90
Increased by:			
Transferred from Liens	$383,326.17		
Adjustment for Assessed Valuation	(62,176.17)		
		$321,150.00	
Prior Year Adjustment		9,322,385.10	
			9,643,535.10
			13,022,300.00
Decreased by:			
Property Sold – Reserve for Sale of Assets			49,700.00
Balance Dec. 31, 2001			$12,972,600.00

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of 2000 Appropriation Reserves
For the Year Ended December 31, 2001

	Balance Dec. 31, 2000				
	Encumbered	Reserved	Balance	Disbursed	Balance Lapsed
OPERATIONS--WITHIN "CAPS"					
General Government					
Administrative and Executive					
Salaries and Wages:					
Mayor/Business Administrator		$8,373.92	$8,373.92		$8,373.92
Township Clerk		2,625.17	2,625.17		2,625.17
Other Expenses:					
Township Council	$2,490.18	2,027.05	4,517.23	$2,037.68	2,479.55
Mayor/Business Administrator	572.77	510.33	1,083.10	350.84	732.26
Township Clerk	3,242.06	932.79	4,174.85	2,346.54	1,828.31
Financial Administration					
Salaries and Wages		8,890.60	8,890.60		8,890.60
Other Expenses	10,274.41	373.86	10,648.27	10,472.88	175.39
Assessment of Taxes					
Other Expenses	4,500.24	254.27	4,754.51	610.81	4,143.70
Liquidation of Tax Title Lien and Foreclosed Property:					
Other Expenses	39,904.00		39,904.00	39,904.00	
Collection of Taxes					
Salaries and Wages		1,829.19	1,829.19		1,829.19
Other Expenses	3,173.00	1,909.38	5,082.38	5,082.38	
Collection of Trash Billing Services:					
Salaries and Wages		1,130.41	1,130.41		1,130.41
Other Expenses		429.54	429.54		429.54
Legal Services and Costs					
Other Expenses	5,463.50	8,580.82	14,044.32	13,862.93	181.39
Engineering Services and Costs					
Other Expenses	14,198.00	23,342.81	37,540.81	9,997.75	27,543.06
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning Board		365.42	365.42		365.42
Salaries and Wages	6,770.33	3,291.37	10,061.70	3,030.24	7,031.46
Zoning Board of Adjustment					
Salaries and Wages		2,636.46	2,636.46		2,636.46
Other Expenses	9,166.71	759.64	9,926.35	2,675.24	7,251.11
Insurance					
Workers Compensation		11,263.50	11,263.50	9,094.48	2,169.02
Group Insurance Plan for Employees		843.19	843.19		843.19
Other Insurance Premiums		3,307.81	3,307.81		3,307.81
Public Safety					
First Aid Organization Contributions					
Pemberton Emergency Squad, Inc.	4,606.12		4,606.12	4,606.12	
Country Lakes Rescue Squad	1,426.74		1,426.74	1,426.74	
Presidential Lakes Rescue Squad	1,628.83		1,628.83	1,628.83	
Ambulance Contract	2,000.00	2,125.00	4,125.00	1,559.70	2,565.30
Police					
Salaries and Wages		78,446.49	78,446.49	26,829.78	51,616.71
Other Expenses	50,137.62	14,020.85	64,158.47	60,045.76	4,112.71
Police - Animal Control					
Salaries and Wages		1,065.94	1,065.94		1,065.94
Other Expenses	11,180.09	4,512.49	15,692.58	10,709.95	4,982.63

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of 2000 Appropriation Reserves
For the Year Ended December 31, 2001

	Balance Dec. 31, 2000				
	Encumbered	Reserved	Balance	Disbursed	Balance Lapsed
OPERATIONS--WITHIN "CAPS" (CONT'D)					
Public Safety (Cont'd)					
Office of Emergency Management					
Other Expenses	$95.00	$2,107.24	$2,202.24	$95.00	$2,107.24
Administration of Public Assistance					
Salaries and Wages		1,125.40	1,125.40		1,125.40
Other Expenses	3,255.30	5,561.85	8,817.15	2,816.10	6,001.05
Environmental Protection					
Other Expenses		538.41	538.41		538.41
Buildings and Grounds					
Salaries and Wages		3,239.78	3,239.78		3,239.78
Other Expenses	38,369.78	30.70	38,400.48	27,308.87	11,091.61
Fire Hydrant Services					
Other Expenses	4,027.45	882.60	4,910.05	4,027.45	882.60
Recreation					
Salaries and Wages		10,594.74	10,594.74		10,594.74
Other Expenses	3,389.77	19,988.38	23,378.15	3,712.46	19,665.69
Senior Citizens' Transportation					
Salaries and Wages		3,387.01	3,387.01		3,387.01
Other Expenses	3,511.04	250.59	3,761.63	2,364.00	1,397.63
Streets and Roads					
Road Repairs and Maintenance					
Salaries and Wages		29,035.58	29,035.58		29,035.58
Other Expenses	13,262.05	5,782.77	19,044.82	13,744.42	5,300.40
Trash Removal - Contractual	91,375.50	5,530.00	96,905.50	96,905.50	
Vehicle Maintenance					
Salaries and Wages		1,534.18	1,534.18		1,534.18
Other Expenses	38,146.34	15,179.93	53,326.27	31,381.28	21,944.99
Demolition of Buildings					
Other Expenses		9,809.00	9,809.00	5,024.05	4,784.95
Construction Office					
Salaries and Wages		2,245.70	2,245.70		2,245.70
Other Expenses	1,230.70	900.51	2,131.21	841.38	1,289.83
Urban Enterprise Zone					
Salaries and Wages		12,470.92	12,470.92		12,470.92
Other Expenses	9,808.58	28,099.88	37,908.46	5,339.50	32,568.96
Unclassified:					
Street Lighting	30,313.09	38,447.75	68,760.84	20,586.46	48,174.38
Gasoline		2,000.00	2,000.00		2,000.00
Heat	1,079.05	725.61	1,804.66	1,079.05	725.61
Electric	18,246.43	4,917.63	23,164.06	7,682.77	15,481.29
Telephone	417.57	5,607.70	6,025.27	5,707.16	318.11
Contingent		100.00	100.00		100.00
Total Operations --within "CAPS"	427,262.25	393,942.16	821,204.41	434,888.10	386,316.31

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of 2000 Appropriation Reserves
For the Year Ended December 31, 2001

	Balance Dec. 31, 2000				
	Encumbered	Reserved	Balance	Disbursed	Balance Lapsed
DEFERRED CHARGES AND STATUTORY EXPENDITURES –MUNICIPAL–WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		$23,818.86	$23,818.86	$2,052.51	$21,766.35
Police and Firemen's Retirement System		25,272.00	25,272.00		25,272.00
Expenditures–Municipal–Within "CAPS"	—	49,090.86	49,090.86	2,052.51	47,038.35
Total General Appropriations for Municipal Purposes Within–"CAPS"	$427,262.25	443,033.02	870,295.27	436,940.61	433,354.66
OPERATIONS– EXCLUDED FROM "CAPS"					
Municipal Court					
Salaries and Wages		171.16	171.16		171.16
Other Expenses	4,926.45	2,199.25	7,125.70	3,952.21	3,173.49
Office of Public Defender					
Other Expenses		17,000.00	17,000.00		17,000.00
Aid to Library	5,000.00		5,000.00	5,000.00	
	9,926.45	19,370.41	29,296.86	8,952.21	20,344.65
Total Appropriations	$437,188.70	$462,403.43	$899,592.13	$445,892.82	$453,699.31

Exhibit SA-12

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$10,793.07
Increased by:		
Collections	$90,078.26	
Transferred from Prepaid Taxes	2,611.00	
		92,689.26
		103,482.33
Decreased by:		
Refunds	$61,048.19	
Canceled	1,509.20	
Application to Prepaid Taxes	2,603.41	
Application to Taxes Receivable	26,085.08	
		91,245.88
Balance Dec. 31, 2001		$12,236.45

A detailed permanent list is available in the Collector's office.

Exhibit SA-13

CURRENT FUND
Statement of Due County For Added and Omitted Taxes
For the Year Ended December 31, 2001

Balance Dec. 31, 2000	$28,138.27
Increased by County Share of Added / Omitted Taxes	14,428.44
	42,566.71
Decreased by:	
Payments	28,138.27
Balance Dec. 31, 2001	$14,428.44

Exhibit SA-14

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2001

Balance Dec. 31, 2000:		$66,304.22
Increased by:		
Levy--Calander Year 2001		11,044,142.00
		11,110,446.22
Decreased by:		
Payments	$11,110,444.44	
Canceled	1.78	
		$11,110,446.22

Exhibit SA-15

CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2001

Balance Dec. 31, 2000 (2001 Taxes)		$258,044.22
Increased by:		
Collections--2002 Taxes	$279,383.26	
Transferred from Tax Overpayments	2,603.41	
		281,986.67
		540,030.89
Decreased by:		
Transferred to Tax Overpayments	$2,611.00	
Application to 2001 Taxes Receivable	258,044.22	
		260,655.22
Balance Dec. 31, 2001 (2002 Taxes)		$279,375.67

Exhibit SA-16

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Rents Receivable
For the Year Ended December 31, 2001

Increased by:		
Transferred from Revenue Accounts Receivable	$266,812.96	
Billings	1,575,366.83	
		$1,842,179.79
Decreased by:		
Collections	1,569,951.29	
Canceled	16,105.10	
Transferred to Liens	4,454.35	
		1,590,510.74
Balance Dec. 31, 2001		$251,669.05

Exhibit SA-17

CURRENT FUND
Statement of Trash Liens Receivable
For the Year Ended December 31, 2001

Increased by:		
Transferred from Revenue Accounts Receivable	$15,318.14	
Transferred from Trash Rents Receivable	4,454.35	
Adjustments	710.98	
		$20,483.47
Decreased by:		
Collections		1,537.55
Balance Dec. 31, 2001		$18,945.92

TOWNSHIP OF PEMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2001

Program	Balance Dec. 31, 2000	Accrued	Decreased	Balance Dec. 31, 2001
Federal Grants:				
COPS FAST	$47,745.00		$47,745.00	
COPS in School		$80,000.00	80,000.00	
Local Law Enforcement Grant	15,966.00	22,489.00		$38,455.00
Total Federal Grants	63,711.00	102,489.00	127,745.00	38,455.00
State Grants:				
North Pemberton Railroad Station Enhancement	43,240.00			43,240.00
Clean Communities		54,532.00	54,532.00	
Municipal Alliance Grant	39,085.00	19,535.00	14,390.40	44,229.60
Body Armor Replacement Grant		5,664.29	5,664.29	
Legislative Iniative Grant -- Air Packs		24,000.00	24,000.00	
Hazardous Discharge Site Remediation Grant	62,272.00			62,272.00
DMV Inspection Grant		1,900.00	1,900.00	
Recycling Tonnage Grant		17,324.33	17,324.33	
Safe and Secure Communities Grant	10,000.00	60,000.00	55,000.00	15,000.00
Total State Grants	154,597.00	182,955.62	172,811.02	164,741.60
Total All Grants	$218,308.00	$285,444.62	$300,556.02	$203,196.60
Received			$252,811.02	
Canceled -- Grants Appropriated			47,745.00	
			$300,556.02	

TOWNSHIP OF PEMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Unappropriated
For the Year Ended December 31, 2001

	Balance Dec. 31, 2000	Grants Receivable	Decreased	Balance Dec. 31, 2001
Program:				
Federal Grants:				
COPS in School	$103,056.92	$80,000.00	$103,056.92	$80,000.00
Local Law Enforcement Block Grant		22,489.00	22,489.00	
Total--Federal Grants	103,056.92	102,489.00	125,545.92	80,000.00
State Grants:				
Drunk Driving Enforcement Grant	9,085.11		9,085.11	
Clean Communities		54,532.00	54,532.00	
Municipal Alliance Grant		19,535.00	19,535.00	
Body Armor Replacement Grant		5,664.29		5,664.29
Legislative Iniative Grant -- Air Packs		24,000.00		24,000.00
DMV Inspection Grant		1,900.00		1,900.00
Recycling Tonnage Grant		17,324.33		17,324.33
Safe and Secure Communities Grant		60,000.00	60,000.00	
Urban Enterprise Zone (UEZ)	63,772.70		50,932.70	12,840.00
Total--State Grants	72,857.81	182,955.62	194,084.81	61,728.62
Total--All Grants	$175,914.73	$285,444.62	$319,630.73	$141,728.62
Realized as Miscellaneous Revenue			$268,698.03	
Disbursed -- Transferred to Trust Other Fund			50,932.70	
			$319,630.73	

TOWNSHIP OF PEMBERTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve For State Grants--Appropriated
For the Year Ended December 31, 2001

Program	Balance Dec. 31 2000	Transferred from 2001 Budget Appropriation	Decreased	Increased	Balance Dec. 31, 2001
Federal Grants:					
COPS FAST Grant	$50,000.00		$50,000.00		
Cops in School Grant		$103,056.92	103,056.92		
Local Law Enforcement Grant	29,980.24	22,489.00	52,469.24		
Total--Federal Grants	79,980.24	125,545.92	205,526.16	---	---
State Grants:					
Hazardous Discharge Site Remediation	10,672.00				$10,672.00
Clean Communities Grant	30.00	54,532.00	39,111.55	$237.76	15,688.21
Drunk Driving Enforcement Grant	5,743.77	9,085.11	1,263.00		13,565.88
Special Legislative Grant - Recreation	33,096.34		6,233.54	6,149.26	33,012.06
Emergency Management Grant	4,000.00		1,250.78		2,749.22
Municipal Alliance Grant	24,702.92	24,418.75	20,991.84	3,358.22	31,488.05
Body Armor Replacement Fund	353.13		353.13		
Recycling Tonnage Grant	0.65				0.65
Safe & Secure Communities Grant		60,000.00	60,000.00		
Total--State Grants	78,598.81	148,035.86	129,203.84	9,745.24	107,176.07
Total--All Grants	$158,579.05	$273,581.78	$334,730.00	$9,745.24	$107,176.07

Disbursed	$276,197.45
Canceled -- Grants Receivable	47,745.00
Canceled -- Fund Balance	2,255.00
Encumbered	8,532.55
	$334,730.00

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF PEMBERTON
TRUST FUND
Statement of Trust Cash and Reconciliation
PER N.J.S.40A:5-5--TREASURER
For the Year Ended December 31, 2001

	Dog License		Other	
Balance Dec. 31, 2000		$6,855.19		$1,182,143.04
Increased by Receipts:				
Reserve for Dog Fund Expenditures	$18,721.70			
Due State of New Jersey:				
Department of Health	6,338.40			
State Training Fees			$7,655.00	
Due Current Fund	652.75		28,748.44	
Net Payroll			4,597,534.96	
Reserve for Payroll Deductions Payable			2,959,610.59	
Reserve for Unemployment Compensation			8,030.32	
Reserve for Escrow Deposits			106,034.71	
Reserve for Employee Health Insurance			1,569,624.96	
Reserve for Self Insurance			122,459.46	
Reserve for Recreation			1,084.10	
Reserve for Special Law Enforcement			9,619.35	
Reserve for RCA Program			14,565.83	
Reserve for Municipal Drug Alliance			464.93	
Reserve for Body Armor			4,806.14	
Reserve for Municipal Court Escrow			92.89	
Reserve for Veterans Memorial Contributions			50.00	
Reserve for Dare Program			150.00	
Reserve for Senior Citizen Building			1,117.00	
Reserve for Urban Unterprise Zone			92,139.41	
Reserve for Schneider -- Remax			6,816.06	
Reserve for FIA / NJB Presidential Lakes			2,269.52	
Reserve for LLEBG			53,444.73	
Reserve for Community Development Contributions			151.48	
Reserve for Uniform Construction Code			224,169.75	
Reserve for Public Defender Fees			16,766.00	
		25,712.85		9,827,405.63
		32,568.04		11,009,548.67
Decreased by Disbursements:				3,509.73
Due to State of New Jersey:				
Department of Health	6,256.80			
State Training Fees			7,370.00	
Due Current Fund	613.02		15,080.81	
Expenditures Under R.S. 4:19-15.11	18,079.08			
Net Payroll			4,597,534.96	
Reserve for Payroll Deductions Payable			2,953,293.39	
Reserve for Payroll -- Retro Payroll			198,212.49	
Reserve for Unemployment Compensation			6,174.09	
Reserve for Escrow Deposits			92,304.29	
Reserve for Employee Health Insurance			1,609,331.07	
Reserve for Self Insurance			200,460.60	
Reserve for Special Law Enforcement			3,511.00	
Reserve for RCA Program			40,021.79	
Reserve for Body Armor			499.95	
Reserve for Dare Program			723.11	
Reserve for Fire Safety			367.90	
Reserve for Urban Unterprise Zone			37,737.50	
Reserve for FIA / NJB Presidential Lakes			919.25	
Reserve for LLEBG			28,723.16	
Reserve for Community Development Contributions			250.82	
Reserve for Uniform Construction Code			203,119.22	
Reserve for Public Defender Fees			15,900.00	
		24,948.90		10,011,535.40
Balance Dec. 31, 2001		$7,619.14		$998,013.27

(Continued)

TOWNSHIP OF PEMBERTON
TRUST FUND
Statement of Trust Cash and Reconciliation
PER N.J.S.40A:5-5–TREASURER
For the Year Ended December 31, 2001

	Dog License		Other	
Reconciliation Dec. 31, 2001				
Balance per Certification of				
Farmers & Mechanics Bank				
Burlington, N.J.				
Account Nos.:				
280-039-4088	$288.58			
280-039-4060	7,650.56			
Less: Outstanding Checks per Permanent Record	320.00			
		$7,619.14		
700-004-111				$382.24
700-002-933				30,523.50
700-002-982				16,976.96
700-003-014				159,820.78
700-002-941				49,733.10
700-002-958				27,146.90
700-002-966				1,431.19
700-002-974				1,038.25
280-008-3430				61,437.06
280-016-6203				4,821.71
280-028-4330				2,371.49
280-056-6362				706.17
280-058-6520				1,670.92
280-067-9879				1,292.67
280-076-9284				6,816.06
280-034-4485			$18,138.26	
Add: Deposit of 01/11/02			950.00	
				19,088.26
280-076-9323			53,930.13	
Add: Deposit of 01/11/02			471.78	
				54,401.91
280-039-4220			29,210.81	
Add: Deposit of 01/11/02			25.00	
			29,235.81	
Less: Outstanding Checks per Permanent Record			3,171.76	
				26,064.05
150-000-1364			95,168.14	
Less: Outstanding Checks per Permanent Record			22,697.97	
				72,470.17
70-004-426			111,038.79	
Less: Outstanding Checks per Permanent Record			1,097.25	
				109,941.54
280-039-4275			120,414.55	
Less: Outstanding Checks per Permanent Record			133,979.93	
				(13,565.38)
Commerce Bank				
Cherry Hill, N.J.				
Account Nos.:				
41-67557				78,054.00
32-98924				42,611.10
38-92742				5,070.16
38-92767			238,401.32	
Less: Outstanding Checks per Permanent Record			3,297.70	
				235,103.62
Sun National Bank				
Vineland, N.J.				
Account No. 710-786-4367				2,604.84
Balance		$7,619.14		$998,013.27

TOWNSHIP OF PEMBERTON
TRUST FUND
Statement of Trust Cash and Reconciliation
PER N.J.S.40A:5-5--COLLECTOR
For the Year Ended December 31, 2001

		Other
Balance Dec. 31, 2000		$37,902.33
Increased by Receipts:		
Due Current Fund -- Interest Earned	$3,509.73	
Reserve for Redemption of Tax Title Liens	1,961,639.18	
Reserve for Tax Sale Premiums	39,350.00	
		2,004,498.91
		2,042,401.24
Decreased by Disbursements:		
Due Current Fund:		
Miscellaneous Revenue Anticipated -- Interest Earned	3,295.00	
Miscellaneous Revenue Not Anticipated -- Tax Sale Premiums Canceled	650.00	
Reserve for Redemption of Tax Title Liens	1,964,254.91	
Reserve for Tax Sale Premiums	18,700.00	
		1,986,899.91
Balance Dec. 31, 2001		$55,501.33

Reconciliation Dec. 31, 2001

Balance per Certification of Farmers and Mechanics Bank Burlington, N.J.		
Account No. 280-040-7353	$38,206.54	
Less: Outstanding Checks per Permanent Record	5,500.00	
		$32,706.54
Account No. 280-040-7755	178,901.95	
Add: Deposits of (1/2/02, 1/8/02, 1/11/02)	19,400.26	
	198,302.21	
Less: Outstanding Checks per Permanent Record	175,507.42	
		22,794.79
Balance		$55,501.33

TOWNSHIP OF PEMBERTON
DOG LICENSE TRUST FUND
Statement of Reserve For Dog Fund Expenditures
For the Year Ended December 31, 2001

Balance Dec. 31, 2000	$3,546.52
Decreased by:	
Dog License Fees:	
Collections	18,721.70
	22,268.22
Increased by:	
Expenditures Under R.S.4:19- 15.11	18,079.08
Balance Dec. 31, 2001	$4,189.14

License Fees Collected

Year	Amount
2000	$18,959.50
1999	18,746.70
	$37,706.20

Exhibit SB-4

TOWNSHIP OF PEMBERTON
DOG LICENSE TRUST FUND
Statement of Due to State of New Jersey
For the Year Ended December 31, 2001

Balance Dec. 31, 2000	$141.00
Increased by:	
Dog License Fees Collected	6,338.40
	6,479.40
Decreased by:	
Disbursed to State of New Jersey	6,256.80
Balance Dec. 31, 2001	$222.60

Exhibit SB-5

TRUST OTHER FUND
Statement of Reserve for New Jersey Unemployment Compensation Insurance
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$57,642.03
Increased by Receipts:		
Interest	$2,029.31	
Current Fund Budget Appropriation	5,000.00	
Employee Contributions Turned Over	1,001.01	
Employee Contributions -- Due from Payroll Deductions	2,437.70	
Water Operating Fund Budget Appropriation	15,500.00	
		25,968.02
		83,610.05
Decreased by Disbursements:		
Payments		6,174.09
Balance Dec. 31, 2001		$77,435.96

TOWNSHIP OF VOORHEES
TRUST OTHER FUND
Statement of Reserve for Self Insurance -- Other
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$216,330.20
Increased by:		
Receipts -- Current Fund Budget Appropriation		122,459.46
		338,789.66
Decreased by:		
Claims Paid	$39,180.33	
Transferred to Reserve for Employees Health Insurance	161,280.27	
		200,460.60
Balance Dec. 31, 2001		$138,329.06

Exhibit SB-7

TRUST OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$50,881.66
Increased by Receipts:		
Employee Deductions		2,959,610.59
		3,010,492.25
Decreased by:		
Disbursements:		
Payroll Agencies	$2,952,292.38	
Turned Over to Unemployment Compensation Account	1,001.01	
Due to Unemployment Compensation Account	2,437.70	
		2,955,731.09
Balance Dec. 31, 2001		$54,761.16

Analysis of Balance

Pension	$52,928.31
Unidentified	1,463.20
AFLAC	19.76
Unemployment Co,pensation	349.89
	$54,761.16

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2001

Balance Dec. 31, 2000			$136,384.91
Increased by:			
Receipts:			
Revenue--Interest--Treasurer:			
Payroll	$6,065.09		
Uniform Construction Code	1,165.66		
Escrow Deposits	7,481.74		
Municipal Court Escrow	91.46		
Employee Health Insurance	2,477.22		
Self Insurance	8,127.20		
Fire Safety	24.40		
Green Acres	40.41		
Public Defender	910.79		
Recreation	1,191.20		
Lighting for Mirror Lake Dam	1,050.31		
Veterans Memorial	25.44		
Dare Program	77.85		
Senior Citizen Building	19.67		
		$28,748.44	
Revenue--Interest--Collector		3,509.73	
Cancellation of Tax Sale Premiums		650.00	
			32,908.17
			169,293.08
Decreased by:			
Disbursed:			
Miscellaneous Revenues Anticipated:			
Interest Earned on Deposits -- Treasurer		15,080.81	
Interest Earned on Deposits -- Collector		3,295.00	
Miscellaneous Revenue Not Anticipated			
Tax Sale Premiums Canceled		650.00	
Current Fund Budget Appropriation -- Due			
Uniform Construction Code		37,528.09	
Refund of Prior Year Revenue -- Tax Title Liens		1,319.90	
			57,873.80
Balance Dec. 31, 2001			$111,419.28

Exhibit SB-9

TOWNSHIP OF PEMBERTON
TRUST--OTHER FUNDS
Schedule of Mortgages Receivable
As of December 31, 2001

Vendor	Amount
Valenzano	$39,871.26
Valenzano	26,418.98
Moore	16,145.82
Rodal	19,711.67
Balance Dec. 31, 2001	$102,147.73

Exhibit SB-10

TRUST--OTHER FUNDS
Statement of Reserve for Employee Health Insurance
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$14,769.87
Increased by:		
Receipts:		
Transferred from Current Fund Budget Appropriation	$1,408,344.69	
Transferred from Reserve for Self Insurane - Other	161,280.27	
	1,569,624.96	
Accounts Receivable -- Other	25,617.73	
		1,595,242.69
		1,610,012.56
Decreased by Disbursements:		
Claims Paid		1,609,331.07
Balance Dec. 31, 2001		$681.49

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Capital Cash and Reconciliation
PER N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$573,889.67
Increased by Receipts:		
Due Current Fund	$183,227.22	
Capital Improvement Fund	100,000.00	
Due From State - Special Legislative Grant	250,000.00	
Premium on Sale of Notes	1,531.50	
Proceeds from Sale of Bond Anticipation Notes	7,189,250.00	
Reserve to Pay Bonds	590,000.00	
		8,314,008.72
		8,887,898.39
Decreased by Disbursements:		
Improvement Authorizations	2,118,918.40	
Bond Anticipation Notes	1,250,250.00	
Contracts Payable	2,160,038.15	
Due Current Fund	59,932.86	
		5,589,139.41
Balance Dec. 31, 2001		$3,298,758.98

Reconciliation Dec. 31, 2001

Balance per Certification of Commerce Bank Cherry Hill, New Jersey Account No. 28-516-32	$2,802,448.75	
Less: Outstanding Checks per Permanent Record	13,538.94	
		$2,788,909.81
New Jersey Cash Management Fund Jersey City, New Jersey Account No. 171-0000-69485		509,849.17
Balance		$3,298,758.98

TOWNSHIP OF VOORHEES
GENERAL CAPITAL FUND
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2001

		Balance (Deficit) Dec. 31, 2000	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance (Deficit) Dec. 31, 2001
Fund Balance		$475,425.66		$1,531.50			$270,000.00	$8,183.00	$215,140.16
Capital Improvement Fund		37,494.00		100,000.00			89,000.00		48,494.00
Reserve for Payment of Notes		101,351.39		590,000.00				270,000.00	961,351.39
Improvement Authorizations:									
90-4;92-19	Improvements to Mirror Lake dam	(108.00)							(108.00)
93-4	Refunding bond ordinance	(5,273.00)							(5,273.00)
93-16	Various general improvements	(66,512.48)				$15,000.00			(81,512.48)
94-6; 97-10	Acquisition of various pieces of equipment	8,195.96							8,195.96
94-11	Acquisition of land					15,000.00			(15,000.00)
94-15	Various general capital improvements							8,018.30	8,018.30
94-22; 95-31	Development of various recreational sites					23,450.00			(23,450.00)
95-20	Various general improvements	(138,000.00)							(138,000.00)
96-23; 97-30	Recreation and building improvements				$441.46			3,000.00	2,558.54
97-9	Construction of community center and recreation improvements	575,934.98			1,854.14			189.00	574,269.84
97-31	Renovation of Hanover Boulevard bridge	12,934.00			264.88	142,500.00	12,500.00	95,600.00	(46,730.88)
98-3	Various road Improvements and purchase of equipment	(1,837,446.47)	$1,860,000.00		25,548.23			3,992.25	997.55
98-5	Acquisition of shopping center	77,905.38			7,108.17		5,329.00		65,468.21
98-21	Various redevelopments	50,000.00							50,000.00
99-10	Various general capital improvements	(1,131,961.25)	2,717,250.00		22,782.55	1,054,300.00	280,332.22		227,873.98
00-10	Construction of salt storage facility	(20,933.70)			37,385.23			414,000.00	355,681.07
00-13	Recreation improvements, purchase of equipment, and various road improvements	(621,989.50)	2,612,000.00		1,955,180.16		167,811.16	1,134,022.24	1,001,041.42
01-8a	Acquisition of leaf vacuum						18,760.00	35,000.00	16,240.00
01-8b	Acquisition of catch basin cleaner						218,234.00	265,000.00	46,766.00
01-16a	Acquisition of Grader						154,700.00	9,000.00	(145,700.00)
01-16b	Acquisition of stake body truck						43,248.00	2,250.00	(40,998.00)
01-16c	Acquisition of three 4x4 pick-up trucks						102,927.00	5,250.00	(97,677.00)
01-16d	Improvements to the municipal and west end buildings							9,600.00	9,600.00
01-16e	Various road improvements				68,353.58			62,900.00	(5,453.58)
Due from State of New Jersey		(250,000.00)		250,000.00			964,000.00		(964,000.00)
Reserve for Encumbrances								108,751.82	108,751.82
Retainage Due Contractors		8,183.00					8,183.00		
Due Current Fund		19,540.96		183,227.22		59,932.86			142,835.32
Due Federal and State Grant Fund		18,078.27							18,078.27
Accounts Payable								184,061.24	184,061.24
Contracts Payable		3,261,070.47				2,160,038.15	1,007,973.61	724,180.14	817,238.85
		$573,889.67	$7,189,250.00	$1,124,758.72	$2,118,918.40	$3,470,221.01	$3,342,997.99	$3,342,997.99	$3,298,758.98

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$8,479,378.41
Increased by:		
New Jersey Environmental Infrastructure Loan		714,000.00
		9,193,378.41
Decreased by:		
2001 Budget Appropriations:		
Serial Bonds	$893,700.00	
Green Acres Trust Loan	19,791.08	
		913,491.08
Balance Dec. 31, 2001		$8,279,887.33

Exhibit SC-4

GENERAL CAPITAL FUND
Statement of Due from State of New Jersey
For the Year Ended December 31, 2001

Balance December 31, 2000		$674,897.48
Increased By:		
Environmental Infrastructure Loan	$714,000.00	
Special Legislative Grant	250,000.00	
		964,000.00
		1,638,897.48
Decreased By:		
Received -- Reimbursed to Improvement Authorization 00-13	250,000.00	
Cancellation of Reserve for Due to Green Acres	424,897.48	
		674,897.48
Balance December 31, 2001		$964,000.00

Analysis of Balance

Green Acres Trust	$250,000.00
Environmental Infrastructure Trust	714,000.00
	$964,000.00

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Unfunded
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	2001 Authorizations	Funded by New Jersey Environmental Infrastructure	Balance Dec. 31, 2001	Analysis of Balance Dec. 31, 2001: Bond Anticipation Notes	Analysis of Balance Dec. 31, 2001: Expenditures	Analysis of Balance Dec. 31, 2001: Unexpended Improvement Authorizations
90-4; 91-14; 92-19	Improvements to Mirror Lake dam	$108.00			$108.00		$108.00	
93-4	Refunding bond ordinance	5,273.00			5,273.00		5,273.00	
93-16	Various general improvements	166,512.48			166,512.48	$85,000.00	81,512.48	
94-11	Acquisition of land	15,000.00			15,000.00		15,000.00	
94-22; 95-31	Development of various recreational sites	23,450.00			23,450.00		23,450.00	
95-20	Various general improvements	138,000.00			138,000.00		138,000.00	
96-23; 97-30	Recreation and building improvements	285,000.00			285,000.00	285,000.00		
97-9	Construction of community center and recreation improvements	1,134,300.00			1,134,300.00	1,134,300.00		
97-31	Renovation of Hanover Boulevard bridge	142,500.00			142,500.00	95,600.00	46,730.88	169.12
98-3	Various road improvements and purchase of equipment	1,933,601.00			1,933,601.00	1,860,000.00		73,601.00
98-5	Acquisition of shopping center	1,900,000.00			1,900,000.00			1,900,000.00
98-21	Various redevelopments	950,000.00			950,000.00			950,000.00
99-10	Various general capital improvements	4,767,100.00			4,767,100.00	4,767,100.00		-
00-10	Construction of salt storage facility	440,000.00		$414,000.00	26,000.00			26,000.00
00-13	Recreation improvements, purchase of equipment, and various road improvements	2,612,500.00			2,612,500.00	2,612,000.00		500.00
01-8a	Acquisition of leaf vacuum		$35,000.00	35,000.00				
01-8b	Acquisition of catch basin cleaner		265,000.00	265,000.00				
01-16a	Acquisition of Grader		171,000.00		171,000.00		145,700.00	25,300.00
01-16b	Acquisition of stake body truck		42,750.00		42,750.00		40,998.00	1,752.00
01-16c	Acquisition of three 4x4 pick-up trucks		99,750.00		99,750.00		97,677.00	2,073.00
01-16d	Improvements to the municipal and west end buildings		182,400.00		182,400.00			182,400.00
01-16e	Various road improvements		1,195,100.00		1,195,100.00		5,453.58	1,189,646.42
		$14,513,344.48	$1,991,000.00	$714,000.00	$15,790,344.48	$10,839,000.00	$599,902.94	$4,351,441.54

Improvement Authorization -- Unfunded		$6,158,182.87
Less: Unexpended Proceeds of Bond Anticipation Notes:		
Ordinance # 99-10	$227,873.98	
Ordinance # 2000-13	1,001,041.42	
Ordinance # 97-9	574,269.84	
Ordinance # 96-23; 97-30	2,558.54	
Ordinance # 98-3	997.55	
		$1,806,741.33
		$4,351,441.54

18400

Exhibit SC-6

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Improvement Authorization
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2000 Funded	Balance Dec. 31, 2000 Unfunded	2001 Authorizations Capital Improvement Fund	2001 Authorizations Deferred Charges To Future Taxation--Unfunded	Contracts Payable Canceled	Paid or Charged	Balance Dec. 31, 2001 Funded	Balance Dec. 31, 2001 Unfunded
94-6; 97-10	Acquisition of various pieces of equipment	7-24-97	$400,000.00	$8,195.96						$8,195.96	
94-15	Various general capital improvements	9-1-94	280,000.00					$8,018.30		8,018.30	
96-23; 97-30	Recreation and building improvements	9-6-96	1,145,000.00					3,000.00	$441.46		$2,558.54
97-9	Construction of community center and recreation improvements	7-24-97	1,194,000.00		$575,934.98			189.00	1,854.14		574,269.84
97-31	Renovation of Hanover Boulevard bridge	12-11-97	150,000.00		12,934.00				12,764.88		169.12
98-3	Various road improvements and purchase of equipment	2-8-98	1,860,000.00		96,154.53			3,992.25	25,548.23		74,598.55
98-5	Acquisition of shopping center	4-12-98	2,000,000.00	77,905.38	1,900,000.00				12,437.17	65,468.21	1,900,000.00
98-21	Various redevelopments	9-15-98	1,000,000.00	50,000.00	950,000.00					50,000.00	950,000.00
99-10	Various general capital improvements	4-15-99	5,018,000.00		435,388.75				207,514.77		227,873.98
00-10	Construction of salt storage facility	7-13-00	440,000.00		419,066.30				37,385.23	355,681.07	26,000.00
00-13	Recreation improvements, purchase of equipment, and various road improvements	8-3-00	3,000,000.00		1,990,510.50			884,022.24	1,872,991.32		1,001,541.42
01-8a	Acquisition of leaf vacuum	6-25-01	35,000.00				$35,000.00		18,760.00	16,240.00	
01-8b	Acquisition of catch basin cleaner	6-25-01	265,000.00				265,000.00		218,234.00	46,766.00	
01-16a	Acquisition of Grader	8-17-01	180,000.00			$9,000.00	171,000.00		154,700.00		25,300.00
01-16b	Acquisition of stake body truck	8-17-01	45,000.00			2,250.00	42,750.00		43,248.00		1,752.00
01-16c	Acquisition of three 4x4 pick-up trucks	8-17-01	105,000.00			5,250.00	99,750.00		102,927.00		2,073.00
01-16d	Improvements to the municipal and west end buildings	8-17-01	192,000.00			9,600.00	182,400.00			9,600.00	182,400.00
01-16e	Various road improvements	8-17-01	1,258,000.00			62,900.00	1,195,100.00		68,353.58		1,189,646.42
				$136,101.34	$6,379,989.06	$89,000.00	$1,991,000.00	$899,221.79	$2,777,159.78	$559,969.54	$6,158,182.87

Cash Disbursements	$2,118,918.40
Reimbursed	(250,000.00)
Accounts Payable	184,061.24
Contracts Payable	724,180.14
	$2,777,159.78

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$3,261,070.47
Increased by:		
Contracts Awarded and Charged to Improvement Authorizations		724,180.14
		3,985,250.61
Decreased by:		
Payments	$2,160,038.15	
Transferred to Reserve for Encumbrances	108,751.82	
Canceled	899,221.79	
		3,168,011.76
Balance Dec. 31, 2001		$817,238.85

Schedule of Contracts Payable Dec. 31,2001

Vendor	Ordinance Number	Amount
Avila Construction	99-10	$155,115.90
HA DeHart and Sons	01-8a	18,760.00
Timmerman Equipment	01-8b	218,234.00
Holman Truck Center	01-16c	102,927.00
Giles and Ransome	01-16a	154,700.00
Holman Truck Center	01-16b	43,248.00
Earle Asphalt	00-13i	4,276.60
Shore Slurry Seal	00-13i	27,716.52
Paetzold Construction	00-13i	92,260.83
		$817,238.85

Exhibit SC-8

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2001

Balance Dec. 31, 2000	$37,494.00
Increased by Receipts:	
2001 Budget Appropriation	100,000.00
	137,494.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	89,000.00
Balance Dec. 31, 2001	$48,494.00

Exhibit SC-9

GENERAL CAPITAL FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$19,540.96
Increased by:		
Receipts:		
Interest Earned on Investments	$71,310.59	
Interfund Loans Advanced	100,000.00	
Lease Revenue -- Miscellaneous Anticipated	11,916.63	
		183,227.22
		202,768.18
Decreased by:		
Disbursed -- Interest on Investments		59,932.86
Balance Dec. 31, 2001		$142,835.32

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2001

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2001 Date	Amount	Rate	Balance Dec. 31, 2000	Paig by Budget Appropriation	Balance Dec. 31, 2001
Refunding Bonds	6/15/1993	$4,232,275.00	9/15/2002	$393,700.00	4.65%			
			9/15/2003	263,779.00	4.80%			
			9/15/2004	259,842.00	4.95%			
			9/15/2005	291,338.00	5.05%			
			9/15/2006	287,401.00	5.10%			
			9/15/2007	283,464.00	5.15%			
			09/15/2008-09	318,897.00	5.20%	$2,811,018.00	$393,700.00	$2,417,318.00
General Obligation Bonds	5/1/1994	3,819,000.00	05/01/2002-05	400,000.00	5.35%			
			5/1/2006	394,000.00	5.35%	2,294,000.00	300,000.00	1,994,000.00
General Obligation Bonds	11/1/1996	3,645,500.00	11/01/2002-04	200,000.00	5.05%			
			11/01/2005-07	250,000.00	5.05%			
			11/01/2008-09	300,000.00	5.05%			
			11/1/2010	330,000.00	5.05%			
			11/1/2011	365,500.00	5.05%	2,845,500.00	200,000.00	2,645,500.00
						$7,950,518.00	$893,700.00	$7,056,818.00

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2000	Increased	Decreased	Balance Dec. 31, 2001
93-16	Various general capital improvements	2-15-96	2-15-00	2-15-01	A	$100,000.00		$100,000.00	
93-16	Various general capital improvements	2-15-96	1-25-01	1-24-02	3.500%		$85,000.00		$85,000.00
94-11	Acquisition of land	6-28-99	6-28-00	1-26-01	4.875%	15,000.00		15,000.00	
94-22;95-31	Development of recreational sites	6-28-99	6-28-00	1-26-01	4.875%	23,450.00		23,450.00	
96-23; 97-30	Acquisition of various pieces of equipment	6-28-99	6-28-00	1-26-01	4.875%	285,000.00		285,000.00	
96-23; 97-30	Acquisition of various pieces of equipment	6-28-99	1-25-01	1-24-02	3.500%		285,000.00		285,000.00
97-9	Construction of community center and recreation improvements	6-28-97	6-28-00	1-26-01	4.875%	1,134,300.00		1,134,300.00	
97-9	Construction of community center and recreation improvements	6-28-97	1-25-01	1-24-02	3.500%		80,000.00		80,000.00
97-9	Construction of community center and recreation improvements	7-24-01	7-24-01	7-23-02	3.150%		1,054,300.00		1,054,300.00
97-31	Renovation of Hanover Boulevard bridge	6-28-99	6-28-00	1-26-01	4.875%	142,500.00		142,500.00	
97-31	Renovation of Hanover Boulevard bridge	7-24-01	7-24-01	7-23-02	3.150%		95,600.00		95,600.00
98-3	Various road Improvements and purchase of equipment	1-25-01	1-25-01	1-24-02	3.500%		1,860,000.00		1,860,000.00
99-10	Various general capital improvements	6-28-99	6-28-00	1-26-01	4.875%	3,199,750.00		3,199,750.00	
99-10	Various general capital improvements	6-28-99	1-25-01	1-24-02	3.500%		3,214,000.00		3,214,000.00
99-10	Construction of library, purchase of equipment, and various road improvements	7-24-01	7-24-01	7-23-02	3.150%		1,553,100.00		1,553,100.00
00-13	Recreation improvements, purchase of equipment, and various road improvements	7-24-01	7-24-01	7-23-02	3.150%		2,612,000.00		2,612,000.00
						$4,900,000.00	$10,839,000.00	$4,900,000.00	$10,839,000.00

	Increased	Decreased
Paid with General Capital Cash		$1,250,250.00
Issued for Cash	$7,189,250.00	
Renewals	3,649,750.00	3,649,750.00
	$10,839,000.00	$4,900,000.00

A = No Interest Loan Held by the Current Fund

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2001

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2000	Transferred from Green Acres Advanced Payments	Paid By Budget Appropriation	Balance Dec. 31, 2001
Project No. 0329-91-047	$99,375.00	12/29/2002	$2,095.98					
		6/28/2003	2,116.94					
		12/29/2003	2,138.11					
		6/27/2004	2,159.49					
		12/28/2004	2,181.08					
		6/27/2005	2,202.89					
		12/28/2005	2,224.92					
		6/28/2006	2,247.17					
		12/29/2006	2,269.64					
		6/28/2007	2,292.34					
		12/29/2007	2,315.26					
		6/27/2008	2,338.42					
		12/28/2008	2,361.80					
		6/27/2009	2,385.42					
		12/28/2009	2,409.27					
		6/28/2010	2,433.36					
		12/29/2010	2,457.70					
		6/28/2011	2,482.28					
		12/29/2011	2,507.10					
		6/27/2012	2,532.17					
		12/28/2013	2,557.49					
		6/27/2013	2,583.07					
		12/28/2013	2,608.90					
		6/28/2014	2,634.99					
		12/29/2014	2,661.33					
		6/28/2015	2,687.95					
		12/29/2015	2,714.83					
		6/27/2016	2,741.98					
		12/28/2016	2,769.40					
		6/27/2017	2,797.09					
		12/26/2017	2,825.06					
		6/28/2018	2,853.31					
		12/29/2018	2,881.84					
		6/28/2019	2,910.66					
		12/29/2019	2,939.77					
		6/27/2020	2,969.17					
		12/28/2020	2,998.86					
		6/27/2021	3,028.85					
		12/28/2021	3,059.11	2.00%		$99,375.00		$99,375.00
					$429,485.41	$99,375.00	$19,791.08	$509,069.33

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2001

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2000	Transferred from Green Acres Advanced Payments	Paid By Budget Appropriation	Balance Dec. 31, 2001
Project No. 0329-92-070	$35,186.00	5/20/2002	$772.26					
		11/20/2002	779.98					
		5/20/2003	787.78					
		11/20/2003	795.66					
		5/20/2004	803.62					
		11/20/2004	811.66					
		5/20/2005	819.77					
		11/20/2005	827.97					
		5/20/2006	836.25					
		11/20/2006	844.61					
		5/20/2007	853.06					
		11/20/2007	861.59					
		5/20/2008	870.20					
		11/20/2008	878.91					
		5/20/2009	887.70					
		11/20/2009	896.57					
		5/20/2010	905.54					
		11/20/2010	914.59					
		5/20/2011	923.74					
		11/20/2011	932.98					
		5/20/2012	942.31					
		11/20/2012	951.73					
		5/20/2013	961.25					
		11/20/2013	970.86					
		5/20/2014	980.57					
		11/20/2014	990.37					
		5/20/2015	1,000.28					
		11/20/2015	1,010.28					
		5/20/2016	1,020.38					
		11/20/2016	1,030.59					
		5/20/2017	1,040.89					
		11/20/2017	1,051.30					
		5/20/2018	1,061.81					
		11/20/2018	1,072.43					
		5/20/2019	1,083.16	2.00%	$33,694.32		$1,521.67	$32,172.65

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2001

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2000	Transferred from Green Acres Advanced Payments	Paid By Budget Appropriation	Balance Dec. 31, 2001
Project No. 0329-92-070	$275,500.00	5/20/2002	$6,238.72					
		11/20/2002	6,301.11					
		5/20/2003	6,364.12					
		11/20/2003	6,427.76					
		5/20/2004	6,492.04					
		11/20/2004	6,556.96					
		5/20/2005	6,622.53					
		11/20/2005	6,688.76					
		5/20/2006	6,755.65					
		11/20/2006	6,823.20					
		5/20/2007	6,891.43					
		11/20/2007	6,960.35					
		5/20/2008	7,029.95					
		11/20/2008	7,100.25					
		5/20/2009	7,171.25					
		11/20/2009	7,242.97					
		5/20/2010	7,315.40					
		11/20/2010	7,388.55					
		5/20/2011	7,462.44					
		11/20/2011	7,537.06					
		5/20/2012	7,612.43					
		11/20/2012	7,688.55					
		5/20/2013	7,765.44					
		11/20/2013	7,843.09					
		5/20/2014	7,921.53					
		11/20/2014	8,000.74					
		5/20/2015	8,080.75					
		11/20/2015	8,161.56					
		5/20/2016	8,243.17					
		11/20/2016	8,325.60					
		5/20/2017	8,408.86					
		11/20/2017	8,492.95					
		5/20/2018	8,577.88					
		11/20/2018	8,663.65	2.00%	$263,449.46		$12,292.76	$251,156.70

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2001

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2000	Transferred from Green Acres Advanced Payments	Paid By Budget Appropriation	Balance Dec. 31, 2001
Project No. 0329-94-061	$138,200.52	5/31/2002	$3,033.22					
		11-31-2002	3,063.56					
		5/31/2003	3,094.19					
		11-31-2003	3,125.13					
		5/31/2004	3,156.39					
		11-31-2004	3,187.95					
		5/31/2005	3,219.83					
		11-31-2005	3,252.03					
		5/31/2006	3,284.55					
		11-31-2006	3,317.39					
		5/31/2007	3,350.57					
		11-31-2007	3,384.07					
		5/31/2008	3,417.91					
		11-31-2008	3,452.09					
		5/31/2009	3,486.61					
		11-31-2009	3,521.48					
		5/31/2010	3,556.69					
		11-31-2010	3,592.26					
		5/31/2011	3,628.18					
		11-31-2011	3,664.47					
		5/31/2012	3,701.11					
		11-31-2012	3,738.12					
		5/31/2013	3,775.50					
		11-31-2013	3,813.26					
		5/31/2014	3,851.39					
		11-31-2014	3,889.90					
		5/31/2015	3,928.80					
		11-31-2015	3,969.09					
		5/31/2016	4,007.77					
		11-31-2016	4,047.85					
		5/31/2017	4,088.33					
		11-31-2017	4,129.21					
		5/31/2018	4,170.50					
		11-31-2018	4,212.21					
		5/31/2019	4,253.37	2.00%	$132,341.63		$5,976.65	$126,364.98

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Environmental Infrastructure Loan Payable
For the Year Ended December 31, 2001

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2000	Loan Authorized	Balance Dec. 31, 2001
Agreement Part A	$345,000.00	01/01/2003-04	$15,000.00	4.00%			
		01/01/2005-06	15,000.00	5.00%			
		1/1/2007	15,000.00	5.50%			
		1/1/2008	20,000.00	5.50%			
		1/1/2009	20,000.00	5.00%			
		01/01/2010-11	20,000.00	5.50%			
		01/01/2012-13	25,000.00	5.50%			
		01/01/2014-15	25,000.00	5.00%			
		01/01/2016-18	30,000.00	5.00%		$345,000.00	$345,000.00
Agreement Part B	369,000.00	8/1/2002	10,709.79	n/a			
		2/1/2003	6,100.51	n/a			
		8/1/2003	16,513.90	n/a			
		2/1/2004	5,892.24	n/a			
		8/1/2004	16,305.64	n/a			
		2/1/2005	5,683.97	n/a			
		8/1/2005	16,097.37	n/a			
		2/1/2006	5,423.64	n/a			
		8/1/2006	15,837.03	n/a			
		2/1/2007	5,163.30	n/a			
		8/1/2007	15,576.70	n/a			
		2/1/2008	4,876.93	n/a			
		8/1/2008	18,761.46	n/a			
		2/1/2009	4,495.11	n/a			
		8/1/2009	18,379.64	n/a			
		2/1/2010	4,148.00	n/a			
		8/1/2010	18,032.52	n/a			
		2/1/2011	3,766.17	n/a			
		8/1/2011	17,650.70	n/a			
		2/1/2012	3,384.35	n/a			
		8/1/2012	20,740.01	n/a			
		2/1/2013	2,907.07	n/a			
		8/1/2013	20,262.73	n/a			
		2/1/2014	2,429.79	n/a			
		8/1/2014	19,785.45	n/a			
		2/1/2015	1,995.90	n/a			
		8/1/2015	19,351.55	n/a			
		2/1/2016	1,562.00	n/a			
		8/1/2016	22,388.79	n/a			
		2/1/2017	1,041.33	n/a			
		8/1/2017	21,868.12	n/a			
		2/1/2018	520.66	n/a			
		8/1/2018	21,347.63	n/a		369,000.00	369,000.00
					---	$714,000.00	$714,000.00

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	Increased	Decreased	Balance Dec. 31, 2001
90-4; 91-14; 92-19	Improvements to Mirror Lake dam	$108.00			$108.00
93-4	Refunding bond ordinance	5,273.00			5,273.00
93-16	Various general improvements	66,512.48	$15,000.00		81,512.48
94-11	Acquisition of land		15,000.00		15,000.00
94-22; 95-31	Development of various recreational sites		23,450.00		23,450.00
95-20; 96-16	Various general improvements	138,000.00			138,000.00
97-9	Construction of community center and recreation improvements		1,054,300.00	1,054,300.00	
97-31	Renovation of Hanover Boulevard bridge		142,500.00	$95,600.00	46,900.00
98-3	Various road improvements and purchase of equipment	1,933,601.00		$1,860,000.00	73,601.00
98-5	Acquisition of shopping center	1,900,000.00			1,900,000.00
98-21	Various redevelopments	950,000.00			950,000.00
99-10	Various general capital improvements	1,567,350.00		1,567,350.00	
00-10	Construction of salt storage facility	440,000.00		414,000.00	26,000.00
00-13	Recreation improvements, purchase of equipment, and various road improvements	2,612,500.00		2,612,000.00	500.00
01-8a	Acquisition of leaf vacuum		35,000.00	35,000.00	
01-8b	Acquisition of catch basin cleaner		265,000.00	265,000.00	
01-16a	Acquisition of Grader		171,000.00		171,000.00
01-16b	Acquisition of stake body truck		42,750.00		42,750.00
01-16c	Acquisition of three 4x4 pick-up trucks		99,750.00		99,750.00
01-16d	Improvements to the municipal and west end buildings		182,400.00		182,400.00
01-16e	Various road improvements		1,195,100.00		1,195,100.00
		$9,613,344.48	$3,241,250.00	$7,903,250.00	$4,951,344.48

	Increased
2001 Authorizations	$1,991,000.00
Notes Paid with Capital Cash	1,250,250.00
	$3,241,250.00

	Decreased
Funded by Environmental Infrastructure Loan Grant	$714,000.00
Notes Issued	7,189,250.00
	$7,903,250.00

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Notes
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$101,351.39
Increased by:		
Transferred from General Capital Fund Balance	$270,000.00	
Receipts:		
Due from Burliington County Library Association	200,000.00	
Due from Community Development -- Small Cities	390,000.00	
		860,000.00
Balance Dec. 31, 2001		$961,351.39

Analysis of Ending Balance

Ordinance No.	Improvement Description	
96-23; 97-30	Recreation and building improvements	$101,351.39
99-10	Various general capital improvements	860,000.00
		$961,351.39

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

TOWNSHIP OF PEMBERTON
WATER UTILITY FUNDS
Statement of Water Utility Cash and Reconciliation
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2001

	Operating		Capital	
Balance Dec. 31, 2000		$364,904.89		$820,344.62
Increased by Receipts:				
Water Rents Receivable	$1,175,813.25			
Water Utility Overpayments	4,348.53			
Water Liens Receivable	11,790.83			
Miscellaneous Revenue	245,220.82			
Due Water Capital Fund	14,399.25			
Due Water Operating Fund			$31,247.48	
Contra	200,000.00			
		1,651,572.68		31,247.48
		2,016,477.57		851,592.10
Decreased by Disbursements:				
2001 Budget Appropriations	1,295,780.75			
Accounts Payable	17,760.85			
Accrued Interest on Bonds and Notes	95,940.93			
Reserve for Encumbrances			30,447.70	
Improvement Authorizations			137,033.70	
Due Water Utility Operating Fund			14,399.25	
Refund of Prior Year Revenue	3,000.00			
Contra	200,000.00			
		1,612,482.53		181,880.65
Balance Dec. 31, 2001		$403,995.04		$669,711.45

Reconciliation Dec. 31, 2000			
Balance per Certification of Farmers & Mechanics Bank Burlington, NJ Account No.			
280-039-4136			$88,855.73
280-039-4136	$91,337.86		
Add: Deposit in Transit (1/3/02)	3,270.53		
	94,608.39		
Less: Outstanding Checks per Permanent Record	8,964.75		
		$85,643.64	
NJ Cash Management Jersey City, NJ Account No.			
171-0000-69493			580,855.72
171-0000-69477		318,351.40	
Balance		$403,995.04	$669,711.45

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Water Utility Capital Cash and Investments
For the Year Ended December 31, 2001

	Balance (Overdraft) Dec. 31, 2000	Receipts	Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2001
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	$1,792.94						$1,792.94
Capital Improvement Fund	7.00						7.00
Improvement Authorizations:							
3-90, 18-91 Drilling of Well #11, Construction of Water Storage Facility and Installation of Various Mains and Other Piping	3,431.00						3,431.00
18-92 Rehabiliation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	(83,383.01)				$18,000.00		(101,383.01)
25-96 Construction of Two New Municipal Water Wells and Revonotios to Water Storage Tank	595,035.45		$137,033.70				458,001.75
Accrued Interest on Bonds and Notes	123,013.54	$31,247.48		$14,399.25		$18,000.00	157,861.77
Due Water Operating Fund	150,000.00						150,000.00
Reserve for Construction of Well	30,447.70			30,447.70			
Reserve for Encumbrances							
	$820,344.62	$31,247.48	$137,033.70	$44,846.95	$18,000.00	$18,000.00	$669,711.45

Exhibit SD-3

TOWNSHIP OF PEMBERTON
WATER UTILITY OPERATING FUND
Statement of Water Rents Receivable
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$359,186.71
Increased by:		
Water Rents Levied		1,239,170.33
		1,598,357.04
Decreased by:		
Collections	$1,175,813.25	
Transfers to Water Utility Liens	7,653.79	
		1,183,467.04
Balance Dec. 31, 2001		$414,890.00

Exhibit SD-4

WATER UTILITY OPERATING FUND
Statement of Water Utility Liens
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$33,453.47
Increased by:		
Transferred from Water Rents Receivable		7,653.79
		41,107.26
Decreased by:		
Received	$11,790.83	
Canceled	11,733.33	
		23,524.16
Balance Dec. 31, 2001		$17,583.10

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2000	Canceled	Costs to Fixed Capital	Balance Dec. 31, 2001
3-90, 18-91	Drilling of Well #11, Construction of Water Storage Facility and Installation of Various Interconnection Mains and Other Piping	12/19/91	$1,578,000.00	$3,431.00			$3,431.00
18-92	Rehabiliation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	12/07/92	1,155,000.00	1,155,000.00			1,155,000.00
25-96	Construction of Two New Municipal Water Wells and Revonotios to existin g Water Storage Tank	11/01/96	1,268,000.00	1,268,000.00			1,268,000.00
				$2,426,431.00	---	---	$2,426,431.00

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2001

Description	Balance Dec. 31, 2000	Additions By Budget	Balance Dec. 31, 2001
Water System	$1,406,225.00		$1,406,225.00
Distribution Mains and Accessories	2,405,819.00		2,405,819.00
Tank Stand Pipes and Tower	47,865.00		47,865.00
Service Pipes and Stops	76,125.00		76,125.00
Meters	127,956.00		127,956.00
Springs and Wells	289,726.00		289,726.00
Office Data Processing Equipment		$14,423.68	14,423.68
Pumping Structures and Equipment	12,873.00		12,873.00
Foundations, Troughs and Fire Hydrants	28,036.00		28,036.00
General Structures and Equipment	63,145.00	36,160.25	99,305.25
Various Capital Improvements and Acquisitions	263,254.71		263,254.71
Trucks	24,678.00		24,678.00
Cost to Refinance Serial Bonds	163,825.00		163,825.00
	$4,909,527.71	$50,583.93	$4,960,111.64

Exhibit SD-7

TOWNSHIP OF PEMBERTON
WATER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Notes and Analysis of Balance
For the Year Ended December 31, 2001

Balance Dec. 31, 2000	$25,648.78
Increased by:	
Charges to Budget Appropriations	93,904.93
	119,553.71
Decreased by:	
Disbursed	95,940.93
Balance Dec. 31, 2001	$23,612.78

Analysis of Accrued Interest Dec. 31, 2001

Principal Outstanding Dec. 31, 2001	Interest Rate	From	To	Period	Amount
Serial Bonds:					
$652,682.86	5.10%	9/15/01	12/31/01	107 Days	$8,705.72
854,500.00	5.05%	11/1/01	12/31/01	61 Days	9,933.16
					18,638.88
Loans:					
353,548.86	3.25%	7/26/01	12/31/01	158 Days	4,973.90
					$23,612.78

Exhibit SD-8

WATER UTILITY CAPITAL FUND
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2000	Funded by Budget Appropriation	Balance Dec. 31, 2001
18-92	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains, and Related Materials		$331,400.00	$3,000.00	$334,400.00
			$331,400.00	$3,000.00	$334,400.00

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Due to Water Utility Operating Fund
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$123,013.54
Increased by:		
Receipts -- Interest Earned on Deposits	$31,247.48	
Redemption of Notes as Investment	21,000.00	
		52,247.48
		175,261.02
Decreased by:		
Disbursements:		
Liquidation of Prior Year Interfund	14,399.25	
Note Princapal Raised in Operating Budget	3,000.00	
		17,399.25
Balance Dec. 31, 2001		$157,861.77

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2000 Funded	Balance Dec. 31, 2000 Unfunded	2001 Authorizations Capital Improvement Fund	2001 Authorizations Deferred Charges to Future Revenue	Disbursed	Balance Dec. 31, 2001 Funded	Balance Dec. 31, 2001 Unfunded
3-90,18-91	Drilling of Well #11, Construction of Water Storage Facility and Installation of Various Interconnection Mains and Other Piping	12/19/91	$1,578,000.00	$3,431.00					$3,431.00	
18-92	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	12/07/92	1,155,000.00		$8,980.99					$8,980.99
25-96	Construction of Two New Municipal Water Wells and Renovations to Existing Water Storage Tank	11/01/96	1,268,000.00	595,035.45	100.00			$137,033.70	458,001.75	100.00
				$598,466.45	$9,080.99	---	---	$137,033.70	$461,432.75	$9,080.99

WATER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$4,720,432.85
Increased by:		
Paid by Operating Budget:		
Serial Bonds	$176,300.00	
Dept. of Environmental Protection Loan	133,631.47	
Caoital Outlay Purchases	50,583.93	
		360,515.40
Balance Dec. 31, 2001		$5,080,948.25

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Water Capital Bond Anticipation Notes
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2000	Issued for Cash	Decreased	Balance Dec. 31, 2001
18-92	Rehabilitation of Municipal Water System	02/15/98	02/15/00	02/15/01	A	$21,000.00	---	$21,000.00	---

Paid with Utility Operating Cash	$18,000.00
Raised in Utility Operating Budget Appropriation -- Due Water Capital Fund	3,000.00
	$21,000.00

A = Note Held by the Current Fund at 0% Interest.

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Water Serial Bonds
For the Year Ended December 31, 2001

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2001 Date	Amount	Interest Rate	Balance Dec. 31, 2000	Paid by Budget Appropriation	Balance Dec. 31, 2001
Refunding Bonds	06/15/93	$1,142,725.00	09/15/02	$106,300.00	4.65%			
			09/15/03	71,221.00	4.80%			
			09/15/04	70,158.00	4.95%			
			09/15/05	78,662.00	5.05%			
			09/15/06	77,599.00	5.10%			
			09/15/07	76,536.00	5.15%			
			09/15/08	86,103.00	5.20%			
			09/15/09	86,103.86	5.20%	$758,982.86	$106,300.00	$652,682.86
Improvements to Water System	11/01/96	1,204,500.00	11/01/02-04	70,000.00	5.05%			
			11/01/05-07	80,000.00	5.05%			
			11/01/08-10	100,000.00	5.05%			
			11/01/01	104,500.00	5.05%	924,500.00	70,000.00	854,500.00
						$1,683,482.86	$176,300.00	$1,507,182.86

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Department of Environmental Protection Loan Payable
For the Year Ended December 31, 2001

Ordinance Number	Description	Maturities of Bonds Outstanding Dec. 31, 2001 Date	Maturities of Bonds Outstanding Dec. 31, 2001 Amount	Interest Rate	Balance Dec. 31, 2000	Paid by Budget Appropriation	Balance Dec. 31, 2001
92-18	Rehabilitation of Municipal Water	01/26/02	$68,448.74				
		07/26/02	69,561.03				
		01/26/03	70,691.40				
		07/26/03	71,840.14				
		01/26/04	73,006.22	3.25%	$487,179.00	$133,631.47	$353,547.53

TOWNSHIP OF PEMBERTON
WATER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2001

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	Notes Paid with Capital Cash	Balance Dec. 31, 2001
92-18	Rehabilitation of Municipal Water System, Acquisition of Pipes. Water Mains and Related Materials	$92,364.00	$18,000.00	$110,364.00
96-25	Construction of Two New Municipal Wells, and Renovations to an Existing Water Storage Tank	100.00		100.00
		$92,464.00	$18,000.00	$110,464.00

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Sewer Utility Cash and Reconciliation
PER N.J.S.40A:5-5--Chief Financial Officer
For The Year Ended December 31, 2001

		Operating Fund
Balance Dec. 31, 2000		$74,536.70
Increased by Receipts:		
Lease Agreement	$575,640.00	
Miscellaneous	2,514.64	
		578,154.64
		652,691.34
Decreased by Disbursements:		
2001 Budget Appropriations	223,186.58	
Accrued Interest on Bonds and Notes	352,453.42	
		575,640.00
Balance Dec. 31, 2001		$77,051.34

Reconciliation Dec. 31, 2001

Balance per Certification of Commerce Bank, N.A. Cherry Hill, N.J. Account No. 0002729523	$77,051.34

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Accrued Interest on Bonds and Notes
For The Year Ended December 31, 2001

Balance Dec. 31, 2000	$32,118.87
Increased by:	
Charges to Operating Budget	351,444.50
	383,563.37
Decreased by:	
Interest Paid	352,453.42
Balance Dec. 31, 2001	$31,109.95

Analysis of Accrued Interest Dec. 31, 2001

Principal Outstanding Dec. 31, 2001	Interest Rate	From	To	Period	Amount
Serial Bonds: $6,881,897.20	5.00%	11/29/2001	12/31/2001	33 Days	$31,109.95

Exhibit SE-3

TOWNSHIP OF PEMBERTON
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For The Year Ended December 31, 2001

Balance Dec. 31, 2000	$4,533,956.22
Increased by:	
Serial Bonds Paid by Operating Budget	223,186.58
Balance Dec. 31, 2001	$4,757,142.80

Exhibit SE-4

SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital
As of December 31, 2001and 2000

	2001	2000
Acquisition of Pemberton Township M.U.A., Related Costs, Expansion and Improvements to the System	$11,639,040.00	$11,639,040.00

TOWNSHIP OF PEMBERTON
SEWER UTILITY CAPITAL FUND
Statement of Sewer Serial Bonds
For The Year Ended December 31, 2001

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding Dec. 31, 2001 Date	Amount	Interest Rate	Balance Dec. 31, 2000	Paid by Budget Appropriation	Balance Dec. 31, 2001
Acquisition of the Pemberton Township MUA and Improvements to the Sewer System	5/29/1980	$9,750,000.00	5/28/2002	$115,444.65				
			11/28/2002	118,330.76				
			5/28/2003	121,289.03				
			11/28/2003	124,321.26				
			5/28/2004	127,429.29				
			11/28/2004	130,615.02				
			5/28/2005	133,880.40				
			11/28/2005	137,227.41				
			5/28/2006	140,658.09				
			11/28/2006	144,174.54				
			5/28/2007	147,778.91				
			11/28/2007	151,473.38				
			5/28/2008	155,260.22				
			11/28/2008	159,141.72				
			5/28/2009	163,120.26				
			11/28/2009	167,198.27				
			5/28/2010	171,378.23				
			11/28/2010	175,662.68				
			5/28/2011	180,054.25				
			11/28/2011	184,555.61				
			5/28/2012	189,169.50				
			11/28/2012	193,898.73				
			5/28/2013	198,746.20				
			11/28/2013	203,714.86				
			5/28/2014	208,807.73				
			11/28/2014	214,027.92				
			5/28/2015	219,378.62				
			11/28/2015	224,863.09				
			5/28/2016	230,484.66				
			11/28/2016	236,246.78				
			5/28/2017	242,152.95				
			11/28/2017	248,206.77				
			5/28/2018	254,411.94				
			11/28/2018	260,772.24				
			5/28/2019	267,291.55				
			11/28/2019	273,973.84				
			5/28/2020	266,755.84	5.00%	$7,105,083.78	$223,186.58	$6,881,897.20

SUPPLEMENTAL EXHIBITS

PUBLIC ASSISTANCE FUND

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE FUND
Statement of Public Assistance Cash and Reconciliation
Per N.J.S. 40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2001

Balance Dec. 31, 2000		$12,800.98
Increased by:		
Receipts		
Public Assistance Revenues	$171,628.49	
Contra	502.77	
		172,131.26
		184,932.24
Decreased by:		
Disbursements:		
Public Assistance Expenditures	163,877.70	
Contra	502.77	
		164,380.47
Balance Dec. 31, 2001		$20,551.77
Reconciliation Dec. 31, 2001		
Balance per Certification of:		
Farmers & Mechanics Bank		
Burlington, NJ		
Account No. 700-002-925		$20,551.77
Analysis of Balance Dec. 31, 2001		
P.A.T.F. Account #1		$20,551.77

Exhibit SF-2

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE FUND
Statement of Public Assistance Revenues -- 2001
For the Year Ended December 31, 2001

	P.A.T.F. I	P.A.T.F. II	Fund Total
State Aid Payments		$126,009.25	$126,009.25
SSI:			
Municipal Refund		32,875.66	32,875.66
Client Refund		2,322.27	2,322.27
Other Revenues:			
Due Current -- State Agreement	$10,000.00		10,000.00
Interest Earned on Deposits	418.81	2.50	421.31
Total Revenue (PATF)	$10,418.81	$161,209.68	$171,628.49

Fxhibit SF-3

PUBLIC ASSISTANCE FUND
Statement of Public Assistance Expenditures -- 2001
For the Year Ended December 31, 2001

	P.A.T.F. I	P.A.T.F. II	Fund Total
Reported:			
Payments for Current Year Assistance		$157,976.50	$157,976.50
Not Reported:			
SSI Payments Refunded to Client		2,322.27	2,322.27
Assistance	$2,587.75		2,587.75
Bank Charges		991.18	991.18
Total Expenditures (PATF)	$2,587.75	$161,289.95	$163,877.70

TOWNSHIP OF PEMBERTON

PART 2

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2001

BOWMAN & Company LLP

Certified Public Accountants & Consultants
601 White Horse Road
Voorhees, NJ 08043-2493
(856) 435-6200
Fax: (856) 435-0440
www.bowmanllp.com
Members of:
American Institute of CPAs
New Jersey Society of CPAs

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 98-07-OMB

The Honorable Mayor and
Members of the Township Council
Township of Pemberton
County of Pemberton
Pemberton, New Jersey 08068

Compliance

We have audited the compliance of the Township of Pemberton, in the County of Burlington, State of New Jersey, with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that are applicable to each of its major state programs for the year ended December 31, 2001. The Township's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Township's management. Our responsibility is to express an opinion on the Township's compliance based on our audit.

We conducted our audit of compliance 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 98-07-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 98-07-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Township of Pemberton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township's compliance with those requirements.

In our opinion, Township of Pemberton complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2001.

Internal Control Over Compliance

The management of the Township of Pemberton is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Township's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 98-07-OMB.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the, management of the Township, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 30, 2002

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED DECEMBER 31, 2001

State Grantor/ Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Grant Period From	Grant Period To	Balance Dec. 31, 2000	Receipts or Revenue Recognized	Expenditures	Memo Cash Receipts	Adjustments	Balance Dec. 31, 2001
State Department of Environmental Protection											
Clean Communities Program	4900-765-178910-60	$54,532.00	N/A	1-1-00	12-31-00	$30.00		$30.00			
Clean Communities Program	4900-765-178910-60	54,532.00	N/A	1-1-01	12-31-01		$54,532.00	39,081.55	$54,532.00	$237.76	15,688.21
Hazardous Discharge Site Remediation	3200-850-0002	29,808.00	N/A	1-1-00	12-31-00	10,672.00					10,672.00
Recycling Tonnage Grant	2000-150-990120-50	17,324.33	N/A	1-1-01	12-31-01		17,324.33		17,324.33		17,324.33
Recycling Tonnage Grant	2000-150-990120-50	2,205.00	N/A	1-1-98	12-31-98	0.65					0.65
						10,702.65	71,856.33	39,111.55	71,856.33	237.76	43,685.19
State Department of Human Services--Division of Public Welfare											
General Assistance Program	7550-150-158010-60	125,100.84	N/A	1-1-01	12-31-01	--	125,100.84	125,100.84	125,100.84	--	--
State Department of Treasury											
Passed Through the County of Camden:											
Municipal Drug Alliance Program	2000-475-995120-60	19,535.00	4,883.75	1-1-00	12-31-00	24,702.92		20,991.84	14,390.40	3,358.22	7,069.30
Municipal Drug Alliance Program	2000-475-995120-60	19,535.00	4,883.75	1-1-01	12-31-01		24,418.75				24,418.75
						24,702.92	24,418.75	20,991.84	14,390.40	3,358.22	31,488.05
State Department of Commerce, Energy and Economic Development											
Urban Enterprize Program	2830-763-250050-50	41,206.71		1-1-01	12-31-01		41,206.71		40,308.90		41,206.71
Urban Enterprize Program	2830-763-250050-50	25,932.70		1-1-00	12-31-00	25,932.70					25,932.70
Urban Enterprize Program	2830-763-250050-50	37,840.00		1-1-99	12-31-99	37,840.00		37,737.50			102.50
						63,772.70	41,206.71	37,737.50	40,308.90	--	67,241.91
State Department of Law and Public Safety											
Drunk Driving Enforcement Grant	1110-448-031020-2220-40	9,085.11	N/A	1-1-01	12-31-01	5,743.77	9,085.11	1,263.00			13,565.88
Body Armor Replacement Grant	020-718-066-1020-001-612	3,499.65	N/A	1-1-00	12-31-00	353.13		353.13			
Body Armor Replacement Grant	020-718-066-1020-001-612	5,664.29	N/A	1-1-01	12-31-01		5,664.29		5,664.29		5,664.29
Occupant Protection Grant	160-100-066-1160-116-612	1,900.00	N/A	1-1-01	12-31-01		1,900.00		1,900.00		1,900.00
Emergency Management Grant	N/A		N/A	1-1-00	12-31-00	4,000.00		1,250.78			2,749.22
Safe and Secure Communities Program	100-066-1020-107-090940	60,000.00	170,930.00	1-1-01	12-31-01		60,000.00	60,000.00	55,000.00		
						10,096.90	76,649.40	62,866.91	62,564.29	--	23,879.39
State Department of Community Affairs											
Special Legislative Grant - Recreation	8050-100-022-8050	50,000.00	N/A	1-1-00	12-31-00	33,096.34		6,233.54		6,149.26	33,012.06
Special Legislative Grant - Air Packs	8050-100-022-8050	24,000.00	N/A	1-1-01	12-31-01		24,000.00		24,000.00		24,000.00
Special Legislative Grant - Upper Mill	8050-100-022-8050	250,000.00	N/A	1-1-01	12-31-01		250,000.00	150,000.00	250,000.00		100,000.00
						33,096.34	274,000.00	156,233.54	274,000.00	6,149.26	157,012.06
Total State Financial Assistance						$142,371.51	$613,232.03	$442,042.18	$588,220.76	$9,745.24	$323,306.60

The accompanying Notes to the Schedule of Expenditures of State Financial Assistance are an integral part of this schedule.

TOWNSHIP OF PEMBERTON
Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2001

Note 1: **GENERAL**

The accompanying schedule of expenditures of state financial assistance present the activity of all state financial assistance programs of the Township of Pemberton, County of Burlington, State of New Jersey. The Township is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

Fund	State
Federal and State Grant Fund	$ 129,203.84
General Capital Fund	150,000.00
Trust Other Fund	37,737.50
Public Assistance Fund	125,100.84
Total Financial Awards	$ 442,042.18

Note 4: **ADJUSTMENTS**

Amounts reported in the column entitled "Adjustments" represent the following:

Adjustment	State
Prior Year Encumbrances Canceled	$ 9,745.24

Note 5: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

TOWNSHIP OF PEMBERTON

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2001

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued — Qualified

Internal control over financial reporting:

Material weaknesses identified? — X yes ___ no

Were reportable conditions identified that were not considered to be a material weakness? — X yes ___ none reported

Noncompliance material to financial statements noted? — ___ yes X no

Federal Awards — **Not Applicable**

Internal control over compliance:

Material weaknesses identified? — ___ yes ___ no

Were reportable conditions identified that were not considered to be material weaknesses? — ___ yes ___ none reported

Type of auditor's report on compliance for major programs — ___

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))? — ___ yes ___ no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster

Dollar threshold used to determine Type A programs — $ ___

Auditee qualified as low-risk auditee? — ___ yes ___ no ___ n/a

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified?	____ yes _X_ no
Were reportable conditions identified that were not considered to be material weaknesses?	____ yes _X_ none reported
Type of auditor's report on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 98-07-OMB?	____ yes _X_ no

Identification of major programs:

GMIS Numbers	Name of State Program
4900-765-178910-60	Clean Communites Program
100-066-1020-107-090940	Safe and SecureCommunities Program
8050-100-022-8050	Special Legislative Grant -- Upper Mill Program

Dollar threshold used to determine Type A programs	$300,000.00
Auditee qualified as low-risk auditee?	____ yes ____ no _X_ n/a

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 2- 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2001-1

Condition
Township police officers, while off-duty, are being paid for outside employment directly by the party who is receiving the service.

Criteria
The Department of Community Affairs' Local Finance Notice "CFO 2000-14" identified the proper procedure whereby these services may be rendered. In referring to the Attorney General's Formal Opinion 1997-No. 23, the Department required that private persons or entities must contract directly with, and remit payment directly to, the municipality for services of police officers during their off-duty hours.

Effect
There is potential liability to the Township and the police officers pension, health and accidental death benefits could be jeopardized.

Cause
The Township Officials were aware of the requirement, and prepared an off-duty employment policy for the Police Department. Response from the police officers has been slow, and thus, the policy has not yet been mplemented.

Recommendation
That payments made to off-duty police officers be made through the Township in accordance with Local Finance Notice CFO 2000-14.

Finding No. 2001-2

Condition
The General Ledger was not maintained during 2001.

Criteria
The State of New Jersey Department of Community Affairs Technical Directive 1985-3 requires the local government to accurately maintain a General Ledger.

Effect
Control over cash and budgetary control accounts is underserved which could allow errors to occur. However, no material errors were found.

Cause
The position of Chief Financial Officer was vacant for a portion of the year.

Recommendation
That the General Ledger be maintained in accordance with New Jersey Department of Community Affairs Technical directive 1985-3.

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2001-3

Condition
The third party administrator of the Township's "Employee Health Benefits Self-Insurance Fund" has access to the bank account and is an authorized signatory on the account of which only one signature is required.

Criteria
The document regarding "A Responsible Approach to Self-Insurance" issued by the Director of the Division of Local Government Services" identifies that that third parties should not have access to a local government's accounts, since this would represent a delegation of the Treasurer function and raise concerns with accountability. Additionally, checks may not be signed by both a local government official and the third party insurance administrator.

Effect
Control over the Township's account is impeded.

Cause
Township Officials were not aware of the requirement or potential accountability problems.

Recommendation
That all checks, from the Township's "Employee Health Benefits Self-Insurance Fund" be signed by the Treasurer/Chief Financial Officer and other Township Official as so identified in the Township Ordinance.

Finding No. 2001-4

Condition
Our audit of disbursements and Township vouchers reveled the following:

a. Twelve vouchers did not carry a properly executed claimants certification.

b. Seven vouchers did not carry a properly executed authorizing signature.

Criteria
New Jersey Statute 40A:5-16 requires that the governing body shall not pay out any of its moneys unless a certification from the vendor claiming that the goods or services have been rendered and unless there is a certification from an officer or designated employee that the goods and services have been rendered or received.

Effect
Control over disbursements is affected.

Cause
The position of Chief Financial Officer was vacant for a portion of the year.

Recommendation
That all vouchers, for the disbursement of Township moneys carry a properly executed claimant certification and Township Official authorizing signature.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2001-5

Condition
The Township maintains a record of its general fixed assets however, the record was not completely updated during 2001, and the asset identification system was not fully implemented to maintain effective controls over Township assets.

Criteria
Technical Accounting Directive 1985-2, issued by the State of New Jersey Department of Community Affairs, requires that all local governments establish and maintain a fixed asset accounting and reporting system.

Effect
Effective controls over additions and deletions of fixed assets is impeded.

Cause
The Township officials did not have sufficient time to fully update and implement the records by year-end due to the vacancy in the position of Chief Financial Officer.

Recommendation
That the record of general fixed assets be maintained in accordance with the Division of Local Government Services Technical Directive 1985-2.

Finding No. 2001-6

Condition
Our examination of Township expenditures revealed that, payments were made from several trust fund accounts without the benefit of an approved Dedication by Rider.

Criteria
N.J.S.A. 40A: 5-17a. requires that an approval officer be designated to approve claims of a municipality, including ascertaining the existence of proper and sufficient appropriations for payments to be made and determining that there is legal authority for the payments.

Effect
There were expenditures made without benefit of the implementing Resolution.

Cause
The authorizing Resolutions for these payments made by the Township were not adopted prior to making the expenditures.

Recommendation
That moneys expended from the Trust Other Funds be done so only after approval of a dedication by rider by the Division of Local Govemment Services.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 3- Schedule of Federal Award Findings and Questioned Costs

Federal Single Audit Not Required.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2001

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 98-07-OMB.

None.

TOWNSHIP OF PEMBERTON
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2000-1

Condition
Various interfunds were created during the course of the year.

Current Status
This condition still existed to a lesser extent and most were cleared prior to the issuance of this report.

Finding No. 2000-2

Condition
The surety bond for the Municipal Court was not in accordance with the required schedule so promulgated by the Division of Local Government Services.

Current Status
This condition has been resolved.

Finding No. 2000-3

Condition
There are numerous capital projects that are more than five years old, which have cash deficits.

Current Status
This condition still exists however, in the year 2002 bond anticipation notes were issued and a bond sale is scheduled toward year end.

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

TOWNSHIP OF PEMBERTON
Officials in Office and Surety Bonds

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

Name	Title	Amount of Surety Bond
Thalia C. Kay	Mayor	(A,B)
John Clark	Council President	(A,B)
Oscar Brooks	Councilman	(A,B)
Caroline Radice	Councilwoman	(A,B)
Dawn Robertson	Councilwoman	(A,B)
John Shaw	Councilman	(A,B)
Paul Tuliano	Administrator	$5,000.00(A,B)
Doug Ayrer	Chief Financial Officer (to 2/27/01)	125,000.00 (B)
Debra Campbell	Chief Financial Officer (from 11/1/01)	125,000.00 (B)
Danielle Peacock	Tax Collector and Tax Search Officer	170,000.00 (B)
Danielle Peacock	Utility Rent Collector	71,000.00 (B)
Mary Ann Young	Clerk and Municipal Improvement Search Officer	10,000.00 (B)
Jo-Ann Lake	Registrar of Vital Statistics	(A,B)
Richard E. Andronici	Magistrate	20,000.00 (B)
Louise Spigner	Court Administrator	47,000.00 (B)
Annick Perez	Deputy Court Administrator	20,000.00 (B)
Edward Burek	Tax Assessor	(A,B)
Valarie A. Bullock	Welfare Director (to 8/3/01)	(A,B)
Debra Chapman	Welfare Director (from 8/4/01)	
Stephen Emery	Chief of Police	(A,B)
Mark Kemagis	Construction Code Official	(A,B)
Stan Gregory	Public Defender	
Nick Costa	Prosecutor	
John C. Gillespie	Solicitor	
Lord, Anderson, Worrell, & Barnett	Engineer	

(A) Covered under the provisions of an Employee Blanket Policy with $50,000.00 of coverage and a $1,000.00 deductible the New Jersey Self Insurers' Joint Insurance Fund.

(B) Additional $950,000.00 of coverage with a $50,000.00 deductible is provided through the New Jersey Self Insurers' Joint Insurance Fund.

All individual Surety Bonds are written through the Selective Insurance Company of America.

All of the bonds were examined and were properly executed.

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant