

TOWNSHIP OF PEMBERTON
COUNTY OF BURLINGTON
REPORT OF AUDIT
FOR THE YEAR 2010



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TOWNSHIP OF PEMBERTON

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey as of December 31, 2010 and 2009, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis and statement of general fixed assets group of accounts for the year ended December 31, 2010. 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.

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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. 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.

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

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2010 and 2009, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance of such funds - regulatory basis for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2010 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 26, 2011 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Pemberton's basic financial statements. The accompanying schedule of expenditures of state financial 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 04-04-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 and account group taken as a whole.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 26, 2011

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

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

We have audited the financial statements (regulatory basis) of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2010, and have issued our report thereon dated July 26, 2011, 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 a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Pemberton's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified deficiencies in internal control over financial reporting that we consider to be material weakness and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. We consider finding nos. 2010-01 and 2010-2 described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider finding no. 2010-3 described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency.

Compliance and Other Matters

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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described as finding nos. 2010-1 and 2010-4 in the accompanying Schedule of Findings and Questioned Costs.

The Township of Pemberton's response to the findings identified in our report are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Township of Pemberton's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of 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

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 26, 2011

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
ASSETS			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 5,218,912.89	\$ 5,684,678.65
Cash--Change Funds	SA-2	850.00	850.00
Petty Cash	A	800.00	800.00
Due from State- Senior & Veterans Deductions	SA-5	72,008.19	43,295.99
		<u>5,292,571.08</u>	<u>5,729,624.64</u>
Receivables and Other Assets with Full Reserves:			
Due from Pemberton Library	A	4,137.00	4,137.00
Due from Pemberton First Aid	A	5,000.00	5,000.00
Due from Pemberton M.U.A.	A	3,749.82	3,749.82
Delinquent Property Taxes Receivable	SA-3	1,291,043.42	1,146,483.73
Tax Title Liens Receivable	SA-4	1,317,881.38	1,569,707.83
Property Acquired for Taxes - Assessed Valuation	SA-6	23,017,650.00	22,632,250.00
Trash Rents Receivable	SA-6	351,393.43	308,875.53
Trash Liens Receivable	SA-7	9,651.85	8,384.21
Revenue Accounts Receivable	SA-8	16,132.03	29,264.35
Due from Trust- Other Fund	SB-4	4,278.51	25,616.45
Due from General Capital Fund	SC-5	221,456.42	275,902.54
		<u>26,242,373.86</u>	<u>26,009,371.46</u>
Deferred Charges to Future Taxation:			
Emergency Appropriation	A-3	20,000.00	
		<u>20,000.00</u>	<u>-</u>
		<u>31,554,944.94</u>	<u>31,738,996.10</u>
Federal and State Grant Fund:			
Cash	SA-1	43,902.08	665,127.63
Due from Current Fund	SA-1	1,032,912.30	
Grants Receivable	SA-20	861,915.45	1,058,735.18
		<u>1,938,729.83</u>	<u>1,723,862.81</u>
		<u>\$ 33,493,674.77</u>	<u>\$ 33,462,858.91</u>

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Reserve for Sale of Municipal Assets	A	\$ 44,676.00	\$ 44,676.00
Reserve for Sale of Township Land	A	52,377.00	52,377.00
Reserve for Revaluation Program	A	13,988.00	13,988.00
Cash Deposits- Rental Deposits	A	425.00	425.00
Cash Deposits- Seized Monies	SA-1	396.03	156.00
Due to Federal and State Grant Fund	SA-1	1,032,912.30	
Appropriation Reserves	A-3; SA-10	1,324,577.43	554,686.57
Reserve for Encumbrances	A-3; SA-12	769,960.12	844,557.79
Accounts Payable	SA-11	60,575.47	161,697.64
Due to State of New Jersey			
Marriage Licenses	SA-19	1,025.00	775.00
Prepaid Taxes	SA-13	289,600.39	365,057.56
Tax Overpayments	SA-14	385,336.92	27,708.43
Trash Rents Overpayments	SA-15	12,788.27	11,746.83
Due County for Added and Omitted Taxes	SA-17	33,781.05	36,057.12
		<u>4,022,418.98</u>	<u>2,113,908.94</u>
Reserves for Receivables		26,242,373.86	26,009,371.46
Fund Balance	A-1	<u>1,290,152.10</u>	<u>3,615,715.70</u>
		<u>31,554,944.94</u>	<u>31,738,996.10</u>
Federal and State Grant Fund:			
Due to General Capital Fund	SC-7		36,750.00
Reserve for Federal and State Grants - Unappropriated	SA-21	37,966.59	28,993.50
Reserve for Federal and State Grants - Appropriated	SA-22	1,809,414.57	1,628,350.51
Reserve for Encumbrances	SA-22	91,348.67	29,768.80
		<u>1,938,729.83</u>	<u>1,723,862.81</u>
		<u>\$ 33,493,674.77</u>	<u>\$ 33,462,858.91</u>

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 - Regulatory Basis
 For the Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 3,000,000.00	\$ 3,217,879.00
Miscellaneous Revenues Anticipated	6,949,771.50	7,542,448.07
Receipts from Delinquent Taxes	829,366.57	1,138,664.60
Receipts from Current Taxes	29,336,125.64	29,822,666.21
Nonbudget Revenues	508,808.95	528,687.33
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	619,571.62	1,034,070.35
Cancellation of Federal and State Grants	58,541.29	
Cancellation of Reserve for Flood		193,079.58
Interfund Reserves Liquidated:		
Due from Trust Other Fund	21,337.94	
	<u>41,323,523.51</u>	<u>43,477,495.14</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	9,276,618.00	9,159,825.00
Other Expenses	8,285,120.00	8,046,929.00
Deferred Charges and Statutory Expenditures	1,904,892.65	1,882,268.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	88,993.50	
Other Expenses	648,235.66	475,911.15
Deferred Charges		81,653.00
Capital Improvements	325,000.00	100,000.00
Municipal Debt Service	2,075,059.11	2,391,512.14
Judgments	79,576.90	170,000.00
County Taxes	6,453,830.72	6,553,119.49
Due County for Added and Omitted Taxes	33,781.05	36,057.12
Local District School Tax	11,223,708.00	11,459,426.00
Refund of Prior Year Revenue		29,838.00
Prior Year Senior Citizen Disallowed		66.64
Cancellation of Trust Other Fund Interfund		16,716.20
Interfund Reserves Created:		
Due from General Capital Fund	244,839.81	267,675.70
Due from Trust Other Fund		25,616.45
	<u>40,639,655.40</u>	<u>40,696,613.89</u>
Excess in Revenues (Carried Forward)	<u>683,868.11</u>	<u>2,780,881.25</u>

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Excess in Revenues (Brought Forward)	\$ 683,868.11	\$ 2,780,881.25
Adjustments to Income Before Fund Balance		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>20,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	703,868.11	2,780,881.25
Fund Balance January 1	<u>3,615,715.70</u>	<u>4,052,713.45</u>
	4,319,583.81	6,833,594.70
Decreased by:		
Utilization as Anticipated Revenue	<u>3,000,000.00</u>	<u>3,217,879.00</u>
Fund Balance December 31	<u><u>\$ 1,319,583.81</u></u>	<u><u>\$ 3,615,715.70</u></u>

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

TOWNSHIP OF PEMBERTON
CURRENT FUND

Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated <u>Budget</u>	Special <u>N.J.S. 40A:4-87</u>	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 3,000,000.00	\$ -	\$ 3,000,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	13,000.00		13,417.00	417.00
Other	9,000.00		11,966.00	2,966.00
Fees and Permits				
Other	20,000.00		13,965.67	(6,034.33)
Fines and Costs:				
Municipal Court	410,000.00		339,043.78	(70,956.22)
Interest and Costs on Taxes	215,061.07		195,271.48	(19,789.59)
Interest on Investments and Deposits	210,000.00		118,456.76	(91,543.24)
Trailer Park Licenses and Fees	93,000.00		82,621.56	(10,378.44)
Cable Television Franchise Fees	71,000.00		71,173.07	173.07
Trash User Fees	1,820,000.00		1,816,400.16	(3,599.84)
Police Officers in School	155,000.00		152,574.50	(2,425.50)
Consolidated Municipal Property Tax Relief Aid	657,073.00		655,619.50	(1,453.50)
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	2,333,383.00		2,333,383.00	
Garden State Pilot Trust	41,461.00		27,641.00	(13,820.00)
Public and Private Revenues Offset With Appropriations:				
Safe and Secure Communities Program		88,993.50	88,993.50	
Over the Limit Under Arrest Grant		4,400.00	4,400.00	
Clean Communities Program		60,099.55	60,099.55	
Municipal Alliance on Drug and Alcohol Abuse		21,000.00	21,000.00	(5,250.00)
Urban Enterprise Zone - Marketing			110,000.00	
Urban Enterprise Zone	5,250.00		40,000.00	
Body Armor Replacement Fund	110,000.00		6,886.10	
Community Development Block Grant - Small Cities		200,000.00	200,000.00	

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND

Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2010

	<u>Anticipated Budget</u>	<u>Special N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Public and Private Revenues Offset With Appropriations(Cont'd):				
Volunteer Fire Assistance Grant		\$ 4,583.00	\$ 4,583.00	
Drunk Driving Enforcement Grant		33,629.66	33,629.66	
DVRPC Downtown Revitalization Grant	\$ 28,400.00		28,400.00	
Other Special Items:				
Reserve for Payment of Debt Service	48,192.00		48,192.00	
Interfund Receivable - General Capital Fund	299,285.93		299,285.93	
Utility Operating Surplus Prior Year	50,000.00		50,000.00	
Payment in Lieu of Taxes - Browns Woods Apartments	124,000.00		122,768.28	\$ (1,231.72)
Subtotal General Revenues	6,713,106.00	459,591.81	6,949,771.50	(222,926.31)
Receipts from Delinquent Taxes	1,130,000.00	-	829,366.57	(300,633.43)
Subtotal General Revenues	10,843,106.00	459,591.81	10,779,138.07	(523,559.74)
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	12,844,444.00	-	12,881,344.87	36,900.87
Budget Totals	23,687,550.00	459,591.81	23,660,482.94	(486,658.87)
Nonbudget Revenues	-	-	508,808.95	508,808.95
	\$ 23,687,550.00	\$ 459,591.81	\$ 24,169,291.89	\$ 22,150.08

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2010

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 29,336,125.64
Allocated to:	
School, and County Taxes	<u>17,711,319.77</u>
Balance for Support of Municipal Budget Revenues	11,624,805.87
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>1,256,539.00</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 12,881,344.87</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 809,592.62
Tax Title Liens Collections	<u>19,773.95</u>
	<u><u>\$ 829,366.57</u></u>

Analysis of Miscellaneous Revenues Not Anticipated:

Off Duty Police- Administration Fee	\$ 1,595.34
Rental Fees	10,378.48
BCCAP- Utilities Refund	11,528.47
BCCAP- Rental Ordinance	14,083.29
Summer Programs	15,769.89
Hotel Tax	3,384.27
DMV Inspections Fees	6,907.46
Rental Inspections	13,017.50
Sale of Municipal Assets	30,394.00
Off Duty Vehicle Rentals	2,100.00
Interest on Prior Year Delinquent Trash Bills	69,700.98
Senior Citizen and Veterans Administrative Fee	9,830.16
Land Association Costs	1,500.00
Maintenance Liens	2,802.70
Insurance Subrogation	131,003.77
FEMA Reimbursement	53,040.51
Photocopies	594.64
Miscellaneous Other Receipts	<u>131,177.49</u>
	<u><u>\$ 508,808.95</u></u>

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

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administrative and Executive						
Salaries and Wages:						
Mayor / Business Administration	\$ 262,100.00	\$ 262,100.00	\$ 258,894.84		\$ 3,205.16	
Township Council	31,050.00	31,050.00	31,050.00			
Township Clerk	189,460.00	189,460.00	183,720.52		5,739.48	
Other Expenses:						
Mayor / Business Administration	96,150.00	99,850.00	95,915.07	\$ 1,749.04	2,185.89	
Township Council	6,105.00	8,305.00	4,593.89	2,243.43	1,467.68	
Township Clerk	36,205.00	36,305.00	27,182.29	8,896.85	225.86	
Financial Administration						
Salaries and Wages:						
Other Expenses:	280,400.00	270,400.00	260,064.92	33,939.38	10,335.08	
Assessment of Taxes	61,945.00	96,480.00	61,867.22		673.40	
Salaries and Wages	208,500.00	186,500.00	181,573.43		4,926.57	
Other Expenses	15,000.00	67,000.00	3,763.51	52,117.05	11,119.44	
Collection of Taxes						
Salaries and Wages	214,600.00	214,600.00	208,949.44		5,650.56	
Other Expenses	22,625.00	33,804.00	16,264.16	11,436.94	6,102.90	
Liquidation of Tax Title Liens and Foreclosed Property						
Other Expenses	57,000.00	57,000.00	1,000.00	56,000.00		
Legal Services						
Other Expenses	220,500.00	292,500.00	249,240.24	4,086.48	39,173.28	
Municipal Prosecutor						
Other Expenses	40,000.00	43,000.00	41,399.31		1,600.69	
Engineering Services						
Other Expenses	149,600.00	165,600.00	123,816.90	21,135.35	20,647.75	
Audit Services						
Other Expenses	54,000.00	54,000.00	31,900.00	22,100.00		
Collection of Trash Billing Services						
Salaries and Wages	58,950.00	58,950.00	58,333.84		616.16	
Other Expenses	6,110.00	13,360.00	4,989.85	7,498.56	871.59	
LAND USE ADMINISTRATION						
Planning Boards:						
Salaries and Wages	23,700.00	23,700.00	23,432.75		267.25	
Other Expenses	5,150.00	5,150.00	1,973.18		3,176.82	

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
LAND USE ADMINISTRATION (CONT'D)						
Zoning Board						
Salaries and Wages	\$ 39,500.00	\$ 39,500.00	\$ 35,946.56		\$ 3,553.44	
Other Expenses	5,600.00	5,600.00	2,131.59		3,468.41	
PUBLIC SAFETY						
Emergency Medical Services						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Other Expenses	5,200.00	5,200.00	3,436.79	\$ 1,057.00	706.21	
Aid to Volunteer Fire Companies						
Other Expenses	125,870.00	154,970.00	88,573.03	66,065.75	331.22	
Ambulance Services						
Other Expenses	83,150.00	45,150.00	40,148.33	4,987.66	14.01	
Aid to First Aid Organizations						
Browns Mills Emergency Squad Inc.	25,000.00	25,000.00	24,582.66		417.34	
Pemberton Emergency Squad Inc.	25,000.00	25,000.00	25,000.00			
Presidential Lakes Rescue Squad	12,000.00	12,000.00	12,000.00			
Other Expenses	2,500.00	2,500.00	500.00		2,000.00	
Police						
Salaries and Wages	4,898,400.00	4,872,300.00	4,725,186.07		147,113.93	
Other Expenses	276,610.00	276,610.00	205,934.01	65,612.81	5,063.18	
INSURANCE						
Group Insurance Plans for Employees	2,086,500.00	1,795,086.00	1,172,414.78	8,336.00	614,335.22	
Worker's Compensation Insurance	396,220.00	411,220.00	369,084.52		42,135.48	
Other Insurance Premiums	486,365.00	486,365.00	483,609.60	2,451.00	304.40	
HEALTH AND WELFARE						
Police- Animal Control						
Salaries and Wages	144,100.00	144,100.00	136,443.35		7,656.65	
Other Expenses	5,100.00	5,100.00	1,822.30	1,264.86	2,012.84	
Domestic Violence Response						
Other Expenses	6,500.00	6,500.00	5,810.00		690.00	
Environmental Protection						
Other Expenses	3,500.00	3,500.00	533.04		2,966.96	

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>RECREATION AND EDUCATION</u>						
Recreation						
Salaries and Wages	\$ 303,050.00	\$ 303,050.00	\$ 289,855.96	\$ 13,194.04		
Other Expenses	108,350.00	108,350.00	80,215.41	21,081.05	7,053.54	
Senior Services						
Salaries and Wages	146,638.00	146,638.00	141,989.14		4,648.86	
Other Expenses	38,600.00	119,450.00	32,034.42	82,295.64	5,119.94	
<u>ROAD REPAIR AND MAINTENANCE</u>						
Buildings and Grounds						
Salaries and Wages	942,500.00	917,500.00	891,820.21		25,679.79	
Other Expenses	280,800.00	270,800.00	185,598.03	64,737.59	20,464.38	
Fire Hydrant Services						
Other Expenses	14,000.00	14,000.00	8,410.92		5,589.08	
Streets and Roads						
Salaries and Wages	880,293.00	890,293.00	874,980.04		15,312.96	
Other Expenses	291,630.00	291,630.00	174,130.08	94,204.34	23,295.58	
Fleet Management						
Salaries and Wages	233,506.00	233,506.00	232,938.96		567.04	
Other Expenses	243,370.00	243,370.00	185,002.76	37,874.74	20,492.50	
Traffic Signals	5,500.00	5,500.00	2,946.14	747.86	1,806.00	
Solid Waste Collection	918,100.00	933,100.00	932,685.71	300.00	114.29	
Demolition of Buildings						
Other Expenses	2,500.00	2,500.00			2,500.00	
<u>CODE ENFORCEMENT</u>						
Township Code Enforcement						
Salaries and Wages	136,300.00	136,300.00	130,323.51		5,976.49	
Other Expenses	26,050.00	6,200.00	2,763.65	1,422.11	2,014.24	
<u>MUNICIPAL COURT</u>						
Municipal Court:						
Salaries and Wages	286,800.00	286,800.00	275,383.10		11,416.90	
Other Expenses	20,265.00	21,265.00	15,976.71	3,560.00	1,728.29	
<u>UNCLASSIFIED</u>						
Urban Enterprise Zone						
Salaries and Wages	64,621.00	64,871.00	64,838.43		32.57	
Other Expenses	3,700.00	3,700.00	853.56	1,091.82	1,754.62	

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
UTILITY EXPENSES AND BULK PURCHASES						
Street Lighting	\$ 310,000.00	\$ 311,000.00	\$ 310,472.59	\$ 51.88	\$ 475.53	
Telephone and Telegraph	60,000.00	60,000.00	52,609.25	5,849.88	1,540.87	
Natural Gas	38,000.00	38,000.00	13,828.90		24,171.10	
Postage	55,000.00	55,000.00	49,168.10		5,831.90	
Gasoline	310,000.00	310,000.00	269,711.90	14,741.50	25,546.60	
Electricity	260,000.00	269,000.00	263,855.75	4,052.55	1,091.70	
Fuel Oil	38,000.00	38,000.00	34,492.80	2,750.35	756.85	
Water	2,000.00	2,000.00	1,188.39		811.61	
Solid Waste Disposal	945,000.00	945,000.00	765,115.45	64,220.65	115,663.90	
Sewer	4,800.00	5,000.00	4,880.00		120.00	
Contingent	100.00	100.00			100.00	
Total Operations Within "CAPS"	17,640,738.00	17,561,738.00	15,496,151.86	769,960.12	1,295,626.02	\$ -
Total Operations Including Contingent - within "CAPS"						
Detail:						
Salaries and Wages	9,349,468.00	9,276,618.00	9,010,725.07	-	265,892.93	-
Other Expenses	8,291,270.00	8,285,120.00	6,485,426.79	769,960.12	1,029,733.09	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement Systems	324,654.65	324,654.65	324,654.65			
Police and Fireman's Retirement System of New Jersey	860,138.00	860,138.00	860,138.00			
Social Security System (O.A.S.I.)	720,000.00	720,000.00	691,048.59		28,951.41	
Unemployment Compensation Insurance	100.00	100.00	100.00			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	1,904,892.65	1,904,892.65	1,875,941.24	-	28,951.41	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	19,545,630.65	19,466,630.65	17,372,093.10	769,960.12	1,324,577.43	-

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS"						
Other Operations:						
Public Employees Retirement System	\$ 34,987.35	\$ 34,987.35	\$ 34,987.35	\$ -	\$ -	\$ -
Public and Private Programs Offset by Revenues:						
Clean Communities (N.J.S.A. 40A:4-87, \$60,099.55+)		60,099.55	60,099.55			
Municipal Drug Alliance Program						
State Share (N.J.S.A. 40A:4-87, \$21,000.00+)		21,000.00	21,000.00			
Local Match	5,250.00	5,250.00	5,250.00			
Over the Limit Under Arrest Grant (N.J.S.A. 40A:4-87, \$4,400.00+)		4,400.00	4,400.00			
Volunteer Fire Assistance Program Grant (N.J.S.A. 40A:4-87, \$4,583.00+)		4,583.00	4,583.00			
Body Armor Replacement Grant (N.J.S.A. 40A:4-87, \$6,886.10+)		6,886.10	6,886.10			
Safe and Secure Communities Program (N.J.S.A. 40A:4-87, \$88,993.50+)		88,993.50	88,993.50			
Drunk Driving Enforcement Grant (N.J.S.A. 40A:4-87, \$33,629.66+)		33,629.66	33,629.66			
Community Development Block Grant - Small Cities Program:						
Federal Share (N.J.S.A. 40A:4-87, \$200,000.00+)		200,000.00	200,000.00			
Local Match		79,000.00	79,000.00			
Local Match (Emergency \$20,000.00 +)		20,000.00	20,000.00			
Urban Enterprise Zone - Marketing	110,000.00	110,000.00	110,000.00			
Urban Enterprise Zone (N.J.S.A. 40A:4-87, \$40,000.00+)		40,000.00	40,000.00			
DVRPC - Downtown Revitalization	28,400.00	28,400.00	28,400.00			
Total Public and Private Programs Offset by Revenues	143,650.00	702,241.81	702,241.81	-	-	-
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	178,637.35	737,229.16	737,229.16	-	-	-
Detail:						
Salaries and Wages		88,993.50	88,993.50	-	-	-
Other Expenses	178,637.35	648,235.66	648,235.66	-	-	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":						
Capital Improvement Fund	325,000.00	325,000.00	325,000.00	-	-	-

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	\$ 966,000.00	\$ 966,000.00	\$ 966,000.00			
Interest on Bonds	630,940.15	630,940.15	630,935.15			\$ 5.00
Interest on Notes	41,635.74	41,635.74	41,635.74			
Green Trust Loan Program						
Loan Repayments for Principal and Interest	37,002.33	37,002.33	37,001.25			1.08
Environmental Trust Loan						
Loan Repayments for Principal and Interest	54,131.00	54,131.00	52,654.58			1,476.42
Capital Lease Obligations						
Principal and Interest	352,033.78	352,033.78	346,832.39			5,201.39
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	2,081,743.00	2,081,743.00	2,075,059.11	\$ -	\$ -	6,683.89
Judgements	300,000.00	300,000.00	79,576.90	-	-	220,423.10
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	2,885,380.35	3,443,972.16	3,216,865.17	-	-	227,106.99
SUBTOTAL GENERAL APPROPRIATIONS	22,431,011.00	22,910,602.81	20,588,958.27	769,960.12	1,324,577.43	227,106.99
RESERVE FOR UNCOLLECTED TAXES	1,256,539.00	1,256,539.00	1,256,539.00	-	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 23,687,550.00	\$ 24,167,141.81	\$ 21,845,497.27	\$ 769,960.12	\$ 1,324,577.43	\$ 227,106.99
Budget		\$ 23,687,550.00				
Emergency		20,000.00				
Appropriation by N.J.S.A. 40A:4-87		459,591.81				
		\$ 24,167,141.81				
Federal and State Grants - Appropriated		\$ 702,241.81				
Reserve for Uncollected Taxes		1,256,539.00				
Disbursed by General Capital Fund		2,675.95				
Disbursed		19,884,040.51				
		\$ 21,845,497.27				

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

TOWNSHIP OF PEMBERTON

TRUST OTHER FUND

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

As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 37,400.84	\$ 26,371.07
Other Funds:			
Cash - Treasurer	SB-1	3,744,107.98	4,635,972.56
Cash - Collector	SB-1	239,826.11	228,543.61
Due from Bank	SB-1		5.00
		<u>3,983,934.09</u>	<u>4,864,521.17</u>
		<u>\$ 4,021,334.93</u>	<u>\$ 4,890,892.24</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-2	\$ 37,293.44	\$ 26,308.67
Due to State of New Jersey	SB-3	107.40	62.40
		<u>37,400.84</u>	<u>26,371.07</u>
Other Funds:			
Due to State of New Jersey - Municipal Court Fees	B	232.00	232.00
Due to Current Fund	SB-4	4,278.51	25,616.45
Due to State of New Jersey - DCA Fees	SB-5	3,545.00	2,835.00
Due to Third Party Inspections	SB-1	6,565.51	
Encumbrances Payable	B	77,049.49	
Reserves for:			
Presidential Lakes Recreations Funds	B	15,000.00	15,000.00
Municipal Drug Alliance	B	7,718.99	7,718.99
Green Acres Contributions	B	896.64	896.64
Body Armor Contributions	B	4,293.49	4,293.49
Community Development Block Grant	B	5,269.30	5,269.30
Performance Bond	B	36,279.03	36,279.03
Police K-9 Trust	B	315.06	315.06
FIA/NJB Builders- Presidential Lakes	B	34,426.11	34,426.11
Clerk Escrow Deposits	SB-1	9,000.00	
Security Bond	SB-1	39,535.00	39,135.00
Affordable Housing	SB-1	15,593.44	
Pemberton Farm Association	SB-1	24,730.18	
Land Use Surety	SB-1	20.00	
Uniform Construction Code	SB-6	309,384.19	384,333.89
Off Duty Police Funds	SB-7	35,669.31	31,980.67

(Continued)

TOWNSHIP OF PEMBERTON

TRUST OTHER FUND

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

As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE (CONT'D)</u>			
Reserves for:			
Special Law Enforcement Funds	SB-8	\$ 43,249.54	\$ 105,477.39
Payroll Deductions Payable	SB-9	105,349.32	20,372.91
Parking Offenses Adjudication Act (P.O.A.A.)	SB-10	306.00	254.00
Compensated Absences	SB-11	72,265.09	116,320.66
Imagination Kingdom	SB-12	44.71	744.71
Self Insurance Fund	SB-13	869,886.87	740,277.66
Employee Healthcare Insurance Funds	SB-14	820,247.88	1,906,023.60
New Jersey Unemployment Compensation	SB-15	77,444.00	91,087.30
Urban Enterprise Zone Fund	SB-16	330,026.10	215,940.89
Browns Mills Dental	SB-17	20,907.74	20,803.46
D.A.R.E. Trust	SB-18	3.20	1,431.55
RCA Trust Funds	SB-19	393,922.15	429,604.36
Local Law Enforcement Block Grant	SB-20	51.80	51.56
Public Defender Fees	SB-21	7,865.30	20,097.77
Fire Safety Fund	SB-22	1,354.62	3,060.73
Recreation Contributions Fund	SB-23	51,610.74	35,844.38
Escrow Deposits	SB-24	312,259.84	336,483.59
Municipal Court Escrow	SB-25	7,482.06	6,842.06
Tax Sale Premiums	SB-26	129,400.00	130,700.00
Deposits for Redemption of Tax Title Liens	SB-27	110,455.88	94,770.96
		<u>3,983,934.09</u>	<u>4,864,521.17</u>
		<u>\$ 4,021,334.93</u>	<u>\$ 4,890,892.24</u>

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

TOWNSHIP OF PEMBERTON

GENERAL CAPITAL FUND

Statement of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Cash	SC-1	\$ 56,846.44	\$ 587,588.16
Cash Held by Fiscal Agent	SC-1	1,843,474.02	1,846,149.97
Deferred Charges to Future Taxation:			
Funded	SC-3	17,520,557.07	14,073,995.07
Unfunded	SC-4	7,153,481.00	10,252,777.00
Due from Federal and State Grant Fund	SC-7		36,750.00
Due from Green Acres - Garden State Preservation Grant	SC-2	890,000.00	890,000.00
		<u>\$ 27,464,358.53</u>	<u>\$ 27,687,260.20</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Reserve for Good Faith Deposit	SC-2		\$ 84,880.00
Due to Current Fund	SC-5	\$ 221,456.42	275,902.54
Capital Improvement Fund	SC-6	23,245.00	24,541.00
Reserve for Payment of Debt	SC-8	102,540.19	48,192.00
Improvement Authorizations:			
Funded	SC-9	2,284,503.60	1,242,753.56
Unfunded	SC-9	2,210,070.78	3,778,126.83
Reserve for Lease Purchases	SC-10	624,436.96	603,034.06
Reserve for Encumbrances Payable	SC-11	1,626,291.04	990,975.67
Bond Anticipation Note Payable	SC-12	2,500,000.00	6,216,352.00
General Serial Bonds	SC-13	12,986,500.00	9,708,500.00
Green Acres Loan Payable	SC-14	718,123.32	304,196.32
New Jersey Environmental Infrastructure Loan Payable	SC-15	374,467.25	416,648.25
Burlington County Bridge Lease Payable	SC-16	3,441,466.50	3,644,650.50
Fund Balance	C-1	351,257.47	348,507.47
		<u>\$ 27,464,358.53</u>	<u>\$ 27,687,260.20</u>

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

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Fund Balance
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 348,507.47
Increased by:	
Premium on Sale of Bond Anticipation Note	<u>2,750.00</u>
Balance December 31, 2010	<u><u>\$ 351,257.47</u></u>

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 - Regulatory Basis

As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
ASSETS			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 573,882.11	\$ 656,737.27
Due from Water Capital Fund	SD-1	144,946.21	61,842.76
		<u>718,828.32</u>	<u>718,580.03</u>
Consumer Accounts Receivable	SD-3	513,191.67	510,343.93
Water Liens Receivable	D	484.00	484.00
		<u>513,675.67</u>	<u>510,827.93</u>
Total Operating Fund		<u>1,232,503.99</u>	<u>1,229,407.96</u>
Capital Fund:			
Cash	SD-1	11,584.36	19,185.48
Cash on Hand with Fiscal Agent	SD-1	466,622.20	468,134.83
Fixed Capital	D	5,045,460.00	5,045,460.00
Fixed Capital Authorized and Uncompleted	SD-4	5,132,066.00	5,132,066.00
Total Capital Fund		<u>10,655,732.56</u>	<u>10,664,846.31</u>
		<u>\$ 11,888,236.55</u>	<u>\$ 11,894,254.27</u>

(Continued)

TOWNSHIP OF PEMBERTON

WATER UTILITY FUND

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

As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves	D-3;SD-5	\$ 68,290.40	\$ 385,602.98
Reserve for Encumbrances	D-3;SD-5	131,654.43	77,555.15
Accounts Payable	SD-1	8,854.53	25,833.41
Overpaid Rents	SD-6	13,682.95	12,620.68
Accrued Interest on Bonds and Notes	SD-7	881.93	1,725.90
		<u>223,364.24</u>	<u>503,338.12</u>
Reserve for Receivables	D	513,675.67	510,827.93
Fund Balance	D-1	<u>495,464.08</u>	<u>215,241.91</u>
Total Operating Fund		<u>1,232,503.99</u>	<u>1,229,407.96</u>
Capital Fund:			
Capital Improvement Fund	D	7.00	7.00
Due to Water Utility Operating Fund	SD-1	144,946.21	61,842.76
Improvement Authorizations			
Funded	SD-8	18,347.21	18,347.21
Reserve for Lease Purchase	SD-9	185,328.35	259,127.85
Contracts Payable	SD-10	80,709.79	94,937.49
Encumbrances Payable	SD-11	450.00	4,640.00
Reserve for Amortization	SD-12	7,470,708.50	7,258,892.50
Water Utility Serial Bonds	SD-13	104,500.00	204,500.00
Capital Lease Payable	SD-14	2,158,534.50	2,270,350.50
Reserve for Repayment of Capital Leases	D	157,800.00	157,800.00
Deferred Reserve for Amortization	D	334,400.00	334,400.00
Fund Balance	D	<u>1.00</u>	<u>1.00</u>
Total Capital Fund		<u>10,655,732.56</u>	<u>10,664,846.31</u>
		<u>\$ 11,888,236.55</u>	<u>\$ 11,894,254.27</u>

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 Fund Balance - Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Revenue and Other Income Realized:		
Fund Balance Anticipated	\$ 215,000.00	\$ 367,762.00
Rents	1,701,692.27	1,571,779.33
Miscellaneous	46,743.61	56,513.59
Other Credits to Income:		
Cancellation of Accounts Payable	13,310.88	
Unexpended Balance of Appropriation Reserves	310,376.07	113,704.90
	<u>2,287,122.83</u>	<u>2,109,759.82</u>
Total Income		
	<u>2,287,122.83</u>	<u>2,109,759.82</u>
Operations:		
Operating	1,140,345.00	1,118,370.00
Capital Outlay	286,695.00	422,000.00
Debt Service	313,737.70	408,289.90
Deferred Charges:		
Statutory Expenditures	44,600.00	49,100.00
Refund of Prior Year Revenue	6,522.96	
	<u>1,791,900.66</u>	<u>1,997,759.90</u>
Total Expenditures		
	<u>1,791,900.66</u>	<u>1,997,759.90</u>
Excess in Revenue	495,222.17	111,999.92
Fund Balance January 1	215,241.91	471,003.99
	<u>710,464.08</u>	<u>583,003.91</u>
Total		
	<u>710,464.08</u>	<u>583,003.91</u>
Decreased by:		
Utilization as Anticipated Revenue	215,000.00	367,762.00
	<u>215,000.00</u>	<u>367,762.00</u>
Fund Balance December 31	\$ <u>495,464.08</u>	\$ <u>215,241.91</u>

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

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 215,000.00	\$ 215,000.00	
Water Rents	1,570,400.00	1,701,692.27	\$ 131,292.27
Miscellaneous	<u> </u>	<u>46,743.61</u>	<u>46,743.61</u>
	<u><u>\$ 1,785,400.00</u></u>	<u><u>\$ 1,963,435.88</u></u>	<u><u>\$ 178,035.88</u></u>
Miscellaneous Revenue:			
Cash Received		\$ 46,729.26	
Due from Water Utility Capital Fund		<u>14.35</u>	
		<u><u>\$ 46,743.61</u></u>	

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

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
Operations:					
Salaries and Wages	\$ 544,000.00	\$ 544,000.00	\$ 540,613.50		\$ 3,386.50
Other Expenses	596,345.00	596,345.00	496,730.96	\$ 36,609.43	63,004.61
	<u>1,140,345.00</u>	<u>1,140,345.00</u>	<u>1,037,344.46</u>	<u>36,609.43</u>	<u>66,391.11</u>
					\$ -
Capital Improvements:					
Capital Outlay	286,695.00	286,695.00	243,935.00	41,832.50	927.50
	<u>286,695.00</u>	<u>286,695.00</u>	<u>243,935.00</u>	<u>41,832.50</u>	<u>927.50</u>
					-
Debt Service:					
Payment of Bond Principal	100,000.00	100,000.00	100,000.00		
Interest on Bonds	9,504.00	9,504.00	9,483.28		20.72
Burlington County Bridge Commission Lease	204,256.00	204,256.00	204,254.42		1.58
Total Debt Service	<u>313,760.00</u>	<u>313,760.00</u>	<u>313,737.70</u>	<u>-</u>	<u>22.30</u>
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	44,500.00	44,500.00	43,528.21		971.79
Unemployment Compensation Insurance	100.00	100.00	100.00		
Total Deferred Charges and Statutory Expenditures:	<u>44,600.00</u>	<u>44,600.00</u>	<u>43,628.21</u>	<u>-</u>	<u>971.79</u>
					-
Total Water Utility Appropriations	<u>\$ 1,785,400.00</u>	<u>\$ 1,785,400.00</u>	<u>\$ 1,638,645.37</u>	<u>\$ 78,441.93</u>	<u>\$ 68,290.40</u>
					\$ 22.30
Interest on Bond and Notes			\$ 9,483.28		
Lease Interest Paid by Water Utility Capital Fund			1,512.63		
Disbursed			<u>1,627,649.46</u>		
			<u>\$ 1,638,645.37</u>		

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

TOWNSHIP OF PEMBERTON

SEWER UTILITY FUND

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

As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
ASSETS			
Operating Fund:			
Cash - Treasurer	SE-1	\$ 46,127.85	\$ 95,656.41
Capital Fund:			
Fixed Capital	E	<u>11,639,040.00</u>	<u>11,639,040.00</u>
		<u>\$ 11,685,167.85</u>	<u>\$ 11,734,696.41</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Accrued Interest on Bonds	SE-2	<u>\$ 19,392.85</u>	<u>\$ 20,966.43</u>
Fund Balance	E-1	<u>26,735.00</u>	<u>74,689.98</u>
Total Operating Fund		<u>46,127.85</u>	<u>95,656.41</u>
Capital Fund:			
Sewer Utility Serial Bonds	SE-4	4,289,934.00	4,638,028.00
Reserve for Amortization	SE-3	<u>7,349,106.00</u>	<u>7,001,012.00</u>
Total Capital Fund		<u>11,639,040.00</u>	<u>11,639,040.00</u>
		<u>\$ 11,685,167.85</u>	<u>\$ 11,734,696.41</u>

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 Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2010 and 2009

Revenue and Other Income Realized	<u>2010</u>	<u>2009</u>
Lease Agreement - Pemberton Township MUA	\$ 575,640.00	\$ 575,640.00
Miscellaneous	<u>471.44</u>	<u>398.79</u>
Total Income	576,111.44	576,038.79
Expenditures		
Budget Appropriations:		
Debt Service	<u>574,066.42</u>	<u>574,142.25</u>
Excess in Revenue	2,045.02	1,896.54
Adjustments to Income before Fund Balance:		
Surplus (General Fund)	50,000.00	
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>50,000.00</u>	<u>-</u>
Statutory Excess (Deficit) before Fund Balance	(47,954.98)	1,896.54
Fund Balance January 1	<u>74,689.98</u>	<u>72,793.44</u>
Fund Balance December 31	<u><u>\$ 26,735.00</u></u>	<u><u>\$ 74,689.98</u></u>

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

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Lease Agreement - Pemberton Township MUA	\$ 575,640.00	\$ 575,640.00	\$ -

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

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2010

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Debt Service:					
Payment of Bond Principal	\$ 348,095.00	\$ 348,095.00	\$ 348,094.00		\$ 1.00
Interest on Bonds	<u>227,545.00</u>	<u>227,545.00</u>	<u>225,972.42</u>		<u>1,572.58</u>
Total Debt Service	<u>575,640.00</u>	<u>575,640.00</u>	<u>574,066.42</u>	\$ -	<u>1,573.58</u>
Total Sewer Utility Appropriations	<u>\$ 575,640.00</u>	<u>\$ 575,640.00</u>	<u>\$ 574,066.42</u>	<u>\$ -</u>	<u>\$ 1,573.58</u>
Interest on Bond and Notes Disbursed			\$ 225,972.42 <u>348,094.00</u>		
			<u>\$ 574,066.42</u>		

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

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE TRUST FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Cash	SF-1	<u>\$ 14,843.62</u>	<u>\$ 14,843.62</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance	SF-1	<u>\$ 14,843.62</u>	<u>\$ 14,843.62</u>

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

TOWNSHIP OF PEMBERTON
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Assets -- Regulatory Basis
For the Year Ended December 31, 2010

	Balance <u>Dec. 31, 2009</u>	<u>Additions</u>	<u>Adjustments</u>	Balance <u>Dec. 31, 2010</u>
General Fixed Assets:				
Land	\$ 14,921,650.00		\$ 60,300.00	\$ 14,981,950.00
Buildings and Parks	13,978,094.00		39,779.00	14,017,873.00
Equipment	<u>6,310,103.91</u>	<u>\$ 40,806.77</u>	<u>(64,730.06)</u>	<u>6,286,180.62</u>
Total General Fixed Assets	<u><u>\$ 35,209,847.91</u></u>	<u><u>\$ 40,806.77</u></u>	<u><u>\$ 35,348.94</u></u>	<u><u>\$ 35,286,003.62</u></u>
 Total Investment in General Fixed Assets	 <u><u>\$ 35,209,847.91</u></u>	 <u><u>\$ 40,806.77</u></u>	 <u><u>\$ 35,348.94</u></u>	 <u><u>\$ 35,286,003.62</u></u>

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, 2010

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

Description of Financial Reporting Entity - Located in the eastern portion of Burlington County, the Township of Pemberton has evolved from an early seasonal resort and agricultural community into a year-round residential community. With a land area of 65 square miles, the Township is the fourth largest municipality in the County. The population, according to the 2000 census, is 28,691.

The Township is governed by an elected council consisting of 5 members who serve staggered 4-year terms and a separately elected Mayor, who serves a 4-year term. The Township has a Mayor-Council form of government, known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as 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 and establishing policy.

Administrative responsibilities are assigned to the Township Administrator. The Administrator is responsible for the daily operations of the Township, and implementing and administering policy.

Component Units - The financial statements of the component unit of the Township of Pemberton is 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 Township Municipal Utilities Authority
131 Fort Dix Road
P.O. Box 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.

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.

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

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

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

Water 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 Township 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 15)

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. By resolution, the governing body transferred all public assistance activities to the County of Burlington.

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 the 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.

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

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

Cash, Cash Equivalents and Investments (Cont'd)

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

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

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

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

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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

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

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

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the Township relative to the happening of a future condition. Of the Township's bank balances of \$9,142,932.66 as of December 31, 2010, \$578,982.71 was insured by the Federal Deposit Insurance Corporation, \$8,143,186.44 was collateralized under the Governmental Unit Deposit Protection Act, and \$420,763.51 was uninsured and uncollateralized.

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

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 Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2010 the Township's deposits with the New Jersey Cash Management Fund are \$1,342,571.45.

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$3.465</u>	<u>\$3.506</u>	<u>\$3.445</u>	<u>\$3.410</u>	<u>\$3.319</u>
Apportionment of Tax Rate:					
Municipal	\$1.458	\$1.459	\$1.394	\$1.386	\$1.378
County	0.599	.667	.671	.667	.612
County Open Space Preservation Trust Fund	.077	.079	.077	.072	.050
Local School	1.274	1.301	1.303	1.285	1.279

Assessed Valuation

2010	\$ 880,900,170.00
2009	880,468,016.00
2008	878,895,819.00
2007	876,162,692.00
2006	855,126,426.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 30,682,852.53	\$ 29,336,125.64	95.61%
2009	31,038,509.91	29,822,666.21	96.08%
2008	30,509,084.49	29,196,505.61	95.70%
2007	30,116,441.00	29,032,482.00	96.40%
2006	28,890,540.00	27,925,003.00	96.66%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ 1,317,881.38	\$ 1,291,043.42	\$ 2,608,924.80	8.50%
2009	1,569,707.83	1,146,483.73	2,718,201.56	8.75%
2008	1,477,963.89	1,251,962.92	2,729,926.81	8.95%
2007	1,560,245.00	1,086,806.00	2,647,051.00	8.79%
2006	1,518,991.00	945,539.00	2,464,530.00	8.53%

Note 3: **PROPERTY TAXES (CONT'D)**

The following comparison is made of the number of tax title liens receivable on December 31 of the last two years:

<u>Year</u>	<u>Number</u>
2010	1,917
2009	2,138

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2010	\$ 23,017,650.00
2009	22,632,250.00
2008	22,632,250.00
2007	19,911,750.00
2006	19,911,750.00

Note 5: **WATER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Receivable</u>	<u>Beginning of Year Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2010	\$ 510,343.93	\$ 484.00	\$ 1,684,430.35	\$ 2,195,258.28	\$ 1,701,692.27
2009	510,304.33	484.00	1,571,818.93	2,082,607.26	1,571,779.33
2008	503,255.00	484.00	1,637,554.46	2,141,293.46	1,630,505.13
2007	507,393.00	484.00	1,610,771.00	2,118,648.00	1,614,909.00
2006	506,269.00	484.00	1,629,986.00	2,136,739.00	1,628,862.00

Note 6: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2010	\$1,319,583.81	\$1,000,000.00	75.78%
2009	3,615,715.70	3,000,000.00	82.97%
2008	4,052,713.45	3,217,879.00	70.42%
2007	3,348,343.00	2,680,000.00	80.04%
2006	3,680,679.00	2,350,000.00	63.85%

Note 6: **FUND BALANCES APPROPRIATED (CONT'D)****Water Utility Operating Fund**

2010	\$ 495,464.08	\$ 271,100.00	54.71%
2009	215,241.91	215,000.00	99.89%
2008	471,003.99	367,762.00	78.08%
2007	239,237.00	160,298.00	67.00%
2006	206,543.00	168,146.00	81.41%

Sewer Utility Operating Fund

2010	\$ 26,735.00	-	N/A
2009	74,689.98	-	N/A
2008	72,793.44	-	N/A
2007	69,631.00	\$ 2,576.00	3.70%
2006	65,917.00	2,159.00	3.28%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 225,734.93	\$ 1,032,912.30
Federal and State Grant Fund	1,032,912.30	
Trust – Other Fund		4,278.51
General Capital Fund		221,456.42
Water Utility Operating Fund	144,946.21	
Water Utility Capital Fund		144,946.21
	<u>\$ 1,403,593.44</u>	<u>\$ 1,403,593.44</u>

Note 8: **PENSION PLANS**

The Township of Pemberton contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. 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

Note 8: **PENSION PLANS (CONT'D)**

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Township</u>
2010	\$ 138,231.00	\$ 177,611.00	\$ 315,842.00	-	-	\$ 315,842.00
2009	129,367.00	149,629.00	278,996.00	-	-	278,996.00
2008	169,252.00	130,433.00	299,685.00	-	\$ 59,937.00	239,748.00 (1)

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

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

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Township</u>
2010	\$ 430,873.00	\$ 381,730.00	\$ 812,603.00	-	-	\$ 812,603.00
2009	425,591.00	374,533.00	800,124.00	-	-	800,124.00
2008	381,874.00	309,435.00	691,309.00	-	-	691,309.00

The accrued liability for employees in the Public Employees Retirement System as of December 31, 2010 was \$295,756.00. The accrued liability for employees in the Police and Firemen's Retirement System as of December 31, 2010 was \$464,409.00.

Note 8: **PENSION PLANS (CONT'D)**

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. No Township employees participated in this plan.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

(1) Under the provisions of Chapter 108, P.L. 2003 the Township's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Township is paying 100% of the total normal contribution and accrued liability.

Note 9: **POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board Statement No. 45. The following information is provided in accordance with the requirements of the Statement.

Plan Description

The Township's defined benefit postemployment plan (the "Township Plan") provides eligible employees and their eligible dependents with fully paid health and prescription benefits until the employee or spouse reaches Medicare age. Once Medicare age is attained by either the employee or spouse, Medicare becomes the primary benefit with the Township providing supplementary medical and prescription insurance.

An employee is eligible for benefits upon retirement provided they have completed twenty-five (25) or more years of employment with the Township of Pemberton or have reached the age of sixty-two (62) with at least 15 years of employment with the Township of Pemberton, presuming they have met all other retirement criteria of the Public Employees retirement System (PERS). Ranking Police Officers are eligible for benefits upon retirement provided they have completed twenty (20) years of employment with the Township of Pemberton and are able to buy back at least five (5) years of service from other State, Local or Federal government employment.

The Township Plan does not issue a separate financial report.

Funding Policy

The contribution requirement of the Township is established by policy of the Township Council. The Council may amend its policy, subject to contractual provisions, as deemed necessary. The required contribution is based on projected pay-as-you-go financing requirements. For the year 2010, the Township contributed \$58,278.96 to the Township plan for current premiums.

Note 9: **POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)*****Annual OPEB Cost and Net OPEB Obligation***

The Township's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Township's net OPEB obligation to the Plan:

Normal Cost	\$ 681,694.00
Unfunded Actuarial Liability	<u>755,997.00</u>
Annual Required Contribution (expense)	1,437,691.00
Interest on Net OPEB Obligation	138,975.00
Adjustment to ARC	(456,125.00)
Contributions made	<u>(58,278.96)</u>
	1,062,262.04
Net OPEB Obligation – Beginning of Year	<u>2,779,551.68</u>
Net OPEB Obligation – End of Year	<u><u>\$ 3,841,813.72</u></u>

Funded Status and Funding Progress

As of December 31, 2008, the most recent actuarial valuation date, the Township Plan was 0% funded. The actuarial accrued liability for benefits was \$12,202,608.00, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$12,202,608.00. The covered payroll (annual payroll of active employees covered by the plan) was \$8,570,170.00, and the ratio of the UAAL to the covered payroll was 142%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented below as required supplementary information, compares the assets used for funding purposes to the comparable liabilities to determine how well the Township Plan is funded. The actuarial liability is compared to the actuarial value of assets to determine the funding ratio. The Actuarial Accrued Liability under GASB is determined assuming that the Township Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions.

Actuarial Methods and Assumptions

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

Note 9: **POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
Dec. 31, 2008	\$ 0	\$12,202,608.00	\$12,202,608.00	0%	\$8,570,170.00	142%

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress for Township Plan
Schedule of Employer Contributions

<u>Fiscal Year Ended</u> <u>December 31,</u>	<u>Annual Required</u> <u>Contribution (ARC)</u>	<u>Percentage of</u> <u>ARC Contributed</u>
2008	\$1,437,691.00	0%
2009	1,437,691.00	3.5%
2010	1,437,691.00	4.0%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	December 31, 2008
Actuarial Cost Method	Unit Credit
Amortization Method	Present Value of Straight Line
Remaining Amortization	Period 30 years
Asset Valuation Method	N/A
Actuarial Assumptions:	
Mortality	Group Annuity Morality Table
Future Costs Discount Rate	5% Compounded
Turnover Rate	U.S. Office of Personnel Management
Disability	No terminations due to disability
Age at Retirement	No Earlier than 55
Spousal Coverage	Married Employees will remain Married
Rate of Medical Inflation	7% (pre-Medicare) or 5% (post-Medicare)
Administration Expenses	Cost included in Health Care Costs

For determining the GASB ARC, the rate of employer contributions to the Plan is composed of the Normal Cost plus amortization of the Unfunded Actuarial Liability. The Normal Cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The Actuarial Liability is that portion of the Present Value of Projected Benefits that will not be paid by Future Employer Normal Costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the Unfunded Actuarial Liability.

Note 10: COMPENSATED ABSENCES

The Township of Pemberton compensates employees for unused vacation time, which may be carried forward to the subsequent year for current year's vacation time only. Salaried employees designated in Ordinance 16-1992 are entitled to unlimited sick days. Salaried employees 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 2 different sick time maximums, based off of employee's total sick time at January 1, 1999. If employees' total was under \$5,000, then the maximum is set at \$5,000. If employee totals were under \$10,000, then the maximum amount of sick time entitled to an employee would be \$10,000. Sick time may be sold back at 50% its value; however, employee must leave a minimum of 120 hours.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2010, accrued benefits for compensated absences are valued at \$592,395.65.

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. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 12: LEASE OBLIGATIONS

At December 31, 2010, the Township had lease agreements in effect for the following:

Operating:
 One (1) ITS Mailing Postage Machine
 Nine (9) Photocopiers

The following is an analysis of operating leases.

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

<u>Year</u>	<u>Amount</u>
2011	\$10,133.88
2012	8,485.45

Rental payments under operating leases for the year 2010 were \$12,397.68.

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 20,020,557.07	\$ 22,024,096.50	\$ 15,796,970.00
Water Utility			
Bonds and Notes	2,263,034.50	2,768,837.50	576,707.00
Sewer Utility:			
Bonds and Notes	4,289,934.00	4,969,349.00	5,284,705.00
Total Issued	26,573,525.57	29,762,283.00	21,658,382.00
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	4,853,481.00	3,186,653.00	\$8,666,408.00
Water Utility:			
Bonds and Notes	109,383.00	109,383.00	110,464.00
Total Authorized but Not Issued	4,962,864.00	3,296,036.00	3,176,490.76
Total Issued and Authorized but Not Issued	31,536,389.57	33,058,319.00	30,435,254.00
Deductions:			
Funds Temporarily Held To Pay Debt	302,540.19	106,442.00	79,726.00
Self-liquidating Debt	6,662,351.50	7,847,569.50	8,771,876.00
Total Deductions	6,964,891.69	7,954,011.50	8,851,602.00
Net Debt	\$ 24,571,497.88	\$ 25,104,307.50	\$ 21,583,652.00

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 1.46%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Water Utility	\$ 2,372,417.50	\$ 2,372,417.50	
Sewer Utility	4,289,934.00	4,289,934.00	
General	24,874,038.07	302,540.19	\$ 24,571,497.88
	\$ 31,536,389.57	\$ 6,964,891.69	\$ 24,571,497.88

Net Debt \$24,571,497.88 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,688,603,420.00 equals 1.46%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 59,101,119.70
Net Debt	<u>24,571,497.88</u>
Remaining Borrowing Power	<u>\$ 34,529,621.82</u>

**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	\$ 1,963,435.88
Deductions:	
Operating and Maintenance Cost	\$ 1,184,945.00
Debt Service per Water Fund	<u>313,737.70</u>
Total Deductions	<u>1,498,682.70</u>
Excess in Revenue	<u>\$ 464,753.18</u>

**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	\$ 575,640.00
Deductions:	
Debt Service per Sewer Fund	<u>574,066.42</u>
Excess in Revenue	<u>\$ 1,573.58</u>

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

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 363,909.00	\$ 211,730.37	\$ 575,639.37
2012	382,486.00	193,154.14	575,640.14
2013	402,010.00	173,629.66	575,639.66
2014	422,531.00	153,108.53	575,639.53
2015	444,100.00	131,539.88	575,639.88
2016-20	<u>2,274,898.00</u>	<u>294,144.10</u>	<u>2,569,042.10</u>
Total	<u>\$ 4,289,934.00</u>	<u>\$ 1,157,306.68</u>	<u>\$ 5,447,240.68</u>

Note 13: **CAPITAL DEBT (CONT'D)****General Capital Environmental Infrastructure Loan**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 41,417.00	\$ 10,850.00	\$ 52,267.00
2012	49,124.00	9,750.00	58,874.00
2013	48,170.00	8,376.00	56,546.00
2014	47,215.00	7,000.00	54,215.00
2015	46,348.00	5,750.00	52,098.00
2016-18	<u>142,193.25</u>	<u>9,000.00</u>	<u>151,193.25</u>
Total	<u>\$ 374,467.25</u>	<u>\$ 50,726.00</u>	<u>\$ 425,193.25</u>

Water Utility Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	<u>\$ 104,500.00</u>	<u>\$ 5,277.26</u>	<u>\$ 109,777.26</u>

General Capital Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,034,500.00	\$ 613,430.25	\$ 1,647,930.25
2012	1,105,000.00	559,850.00	1,664,850.00
2013	1,155,000.00	508,600.00	1,663,600.00
2014	1,212,000.00	455,000.00	1,667,000.00
2015	1,260,000.00	404,577.50	1,664,577.50
2016-20	<u>7,220,000.00</u>	<u>1,076,562.50</u>	<u>8,296,562.50</u>
Total	<u>\$12,986,500.00</u>	<u>\$3,618,020.25</u>	<u>\$16,604,520.25</u>

General Capital Green Acres Loans

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 31,696.00	\$ 5,304.78	\$ 37,000.78
2012	32,333.00	4,667.68	37,000.68
2013	32,983.00	4,017.78	37,000.78
2014	33,647.00	3,354.81	37,001.81
2015	34,324.00	2,678.51	37,002.51
2016-19	<u>108,140.32</u>	<u>3,893.87</u>	<u>112,034.19</u>
Total	273,123.32	<u>\$ 23,917.43</u>	<u>\$ 297,040.75</u>
2010 Loan (1)	<u>445,000.00</u>		
	<u>\$ 718,123.32</u>		

(1) Loan Maturity Schedule is not Available.

Note 14: **LEASE AGREEMENT**

In July, 2004 and August, 2005, the Township entered into lease agreements with the Burlington County Bridge Commission. These agreements provide the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Lease Revenue Bonds (2004 Governmental Leasing Program and 2005 Governmental Leasing Program). Pursuant to the terms of this agreement, the Township will lease the improvements and real property to the Commission and the Commission will provide for the payment of the cost of construction and equipment of the improvements and real property through the issuance of its Series 2004 and 2005 Bonds and such obligations shall be payable from rentals to be received from the Township. The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 326,000.00	\$ 230,396.26	\$ 556,396.26
2012	339,000.00	218,676.26	557,676.26
2013	349,000.00	206,036.26	555,036.26
2014	370,000.00	192,076.26	562,076.26
2015	329,000.00	177,276.26	506,276.26
2016-20	1,852,000.00	677,781.30	2,529,781.30
2021-25	<u>2,035,001.00</u>	<u>254,508.78</u>	<u>2,289,509.78</u>
Total	<u>\$ 5,600,001.00</u>	<u>\$1,956,751.38</u>	<u>\$ 7,556,752.38</u>
General Capital	\$ 3,441,466.50		
Water Capital	<u>2,158,534.50</u>		
Total	<u>\$ 5,600,001.00</u>		

Note 15: **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 16: **JOINT INSURANCE POOL**

The Township of Pemberton is a member of the New Jersey Municipal Self Insurer's Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

The Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds
 Boiler and Machinery
 Workers Compensation Insurance
 General and Automobile Liability
 Workers' Compensation and Employer's Liability
 Liability other than Motor Vehicles
 Property Damage other than Motor Vehicles
 Motor Vehicles

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums.

The Fund publishes its own financial report for the year ended December 31, 2010, which can be obtained from:

Municipal Excess Liability Joint Insurance Fund
 Park 80 West, Plaza One
 Saddle Brook, New Jersey 07663

Note 17: **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 for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	None	\$ 29,477.29	\$ 77,444.00
2009	None	8,003.44	91,087.30
2008	None	20,601.80	83,554.99

Note 18: **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 per any one accident is provided by the New Jersey Municipal Self Insurer's Fund. Although it is not required by the State of New Jersey, the third party administrator who processes claims for the Township does not conduct an audit of their internal controls. The Township pays the claims on a pay-as-you-go method, since there is no IBNR calculation being completed.

At December 31, 2010, the balance of the Reserve for Self Insurance was \$869,886.87, and the balance of estimated worker's compensation payable was \$434,210.87, 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 and recorded as a liability will be paid and charged to the 2011 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 required the Township to pay an accumulated amount not to exceed \$50,000 of claims annually for each employee. Amounts in excess of \$50,000 are covered by a commercial insurance policy. The Township pays the claims on a pay-as-you-go method.

At December 31, 2010, the balance of the Reserve for Employee Health Insurance was \$820,247.88, and the balance of the estimated claims payable was \$178,329.00, 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 and recorded as a liability will be paid and charged to the 2011 or future budgets.

Note 19: **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 20: **SUBSEQUENT EVENTS**

Subsequent to December 31, 2010, several tax appeals were filed against the Township. The appeals are in various stages of the process. The results of the appeals are not known.

Subsequent to December 31, the Township of Pemberton authorized Water Utility Bonds as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Water Capital:			
Bonds:			
	Various Improvements to Various Wells	June 1, 2011	<u>\$ 400,000.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Current Cash - Treasurer
For the Year Ended December 31, 2010

	Current Fund	Federal and State Grant Fund
Balance December 31, 2009	\$ 5,684,678.65	\$ 665,127.63
Increased by Receipts:		
Taxes Receivable	\$ 29,145,097.50	
Tax Title Liens Receivable	19,773.95	
Prepaid Taxes	289,600.39	
Tax Overpayments	517,973.43	
Trash Rents Receivable	1,804,184.97	
Trash Liens Receivable	468.36	
Trash Rent Overpayments	12,788.27	
Due to State of New Jersey:		
Senior Citizens and Veterans Deductions	491,508.16	
Payment in Lieu of Taxes - Browns Mills Apartments	122,768.28	
Revenue Accounts Receivable	4,013,555.30	
Marriage License Fees - Due to State	3,775.00	
Miscellaneous Revenue Not Anticipated	508,808.95	
Due from General Capital Fund	102,540.19	
Federal and State Grants Receivable	987,203.59	\$ 595,767.06
Reserve for Seized Monies	240.03	
Due from Sewer Utility - Realized as Anticipated Revenue	50,000.00	
Due from Trust Other Fund	21,337.94	
	<u>38,091,624.31</u>	<u>595,767.06</u>
Carried Forward	43,776,302.96	1,260,894.69

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Current Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 43,776,302.96	\$ 1,260,894.69
Decreased by Disbursements:		
2009 Appropriation Reserves	\$ 767,744.70	
2010 Appropriations	19,884,040.51	
County Taxes	6,453,830.72	
Due to County Added and Omitted Taxes	36,057.12	
Refund of Tax Overpayments	45,002.10	
Local District School Tax	11,223,708.00	
Marriage License Fees - Due to State	3,525.00	
Accounts Payable	113,050.21	
Due to General Capital Fund	1,000.00	
Reserve for Federal and State Grants--Appropriated		\$ 36,750.00
Reserve for Encumbrances Payable		175,298.93
Due to Current Fund		17,740.09
		<u>987,203.59</u>
	<u>38,527,958.36</u>	<u>1,216,992.61</u>
Balance December 31, 2010	<u>\$ 5,248,344.60</u>	<u>\$ 43,902.08</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Change Funds
For the Year Ended December 31, 2010

<hr/>	
Balance December 31, 2010	<u><u>\$ 850.00</u></u>
	Analysis of Balance
Collector - Treasurer	\$ 750.00
Recreation Department	<u>100.00</u>
	<u><u>\$ 850.00</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2010

<u>Year</u>	<u>Balance</u> <u>December 31, 2009</u>	<u>2010 Levy</u>	<u>Added</u> <u>Taxes</u>	<u>Collections</u> <u>2010</u>	<u>Due from</u> <u>State of N.J.</u>	<u>Overpayments</u> <u>Applied</u>	<u>Canceled</u>	<u>Transfer to</u> <u>Liens</u>	<u>Balance</u> <u>December 31, 2010</u>
Arrears									
2008	\$ 39,625.68			\$ 6,360.58			\$ 757.23		\$ 33,265.10
2009	36,891.95			8,854.40			210,594.60	\$ 13,744.64	27,280.32
	1,069,966.10			782,401.16		\$ 11,976.48			51,249.22
2010	1,146,483.73	\$ -	\$ -	797,616.14	\$ -	11,976.48	211,351.83	13,744.64	111,794.64
	-	30,682,852.53		28,347,481.36	520,220.36	103,366.36	96,637.23	70,840.88	1,179,248.78
	\$ 1,146,483.73	\$ 30,682,852.53	\$ -	\$ 29,145,097.50	\$ 520,220.36	\$ 115,342.84	\$ 307,989.06	\$ 84,585.52	\$ 1,291,043.42

Analysis of 2010 Property Tax Levy

<u>Tax Yield:</u>	
General Property Tax	\$ 30,523,219.18
Added Taxes (54:4-63.1 et. seq.)	159,633.35
	<u>\$ 30,682,852.53</u>
<u>Tax Levy:</u>	
Local School District Tax (Abstract)	\$ 11,223,708.00
County Taxes:	
County Tax (Abstract)	\$ 5,271,650.54
County Library	499,891.57
County Open Space	682,288.61
Due County for Added/Omitted Taxes	33,781.05
Total County Taxes	<u>6,487,611.77</u>
Local Tax for Municipal Purposes	12,850,600.00
Add: Additional Tax Levied	<u>120,932.76</u>
	<u>12,971,532.76</u>
	<u>\$ 30,682,852.53</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 1,569,707.83
Increased by:		
Transfer from Current Year Taxes	\$ 70,840.88	
Transfer from Prior Year Taxes	13,744.64	
Interest and Costs of Sale	2,385.88	
Miscellaneous Fees	<u>547.28</u>	
		<u>87,518.68</u>
		1,657,226.51
Decreased by:		
Cash Receipts	19,773.95	
Transferred to Property Acquired for Taxes	<u>319,571.18</u>	
		<u>339,345.13</u>
Balance December 31, 2010		<u><u>\$ 1,317,881.38</u></u>

Exhibit SA-5

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Property Acquired for Taxes (at Assessed Valuation)
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 22,632,250.00
Increased by:		
Transfer from Tax Title Liens Receivable	\$ 319,571.18	
Adjustment to Assessed Valuations	<u>65,828.82</u>	
		<u>385,400.00</u>
Balance December 31, 2010		<u><u>\$ 23,017,650.00</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Due From State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2010

Balance December 31, 2009		\$	43,295.99
Increased by:			
Deductions per Tax Billing:			
Senior Citizens	\$	85,250.00	
Veterans		388,000.00	
Deductions Allowed by Collector - 2010 Taxes		<u>49,470.36</u>	
		522,720.36	
Less: Deductions Disallowed by Collector - 2010 Taxes		<u>2,500.00</u>	
			<u>520,220.36</u>
			563,516.35
Decreased by:			
Received from State of New Jersey			<u>491,508.16</u>
Balance December 31, 2010		\$	<u><u>72,008.19</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Rents Receivable
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 308,875.53
Increased by:		
2010 Billings		<u>1,865,096.15</u>
		2,173,971.68
Decreased by:		
Receipts	\$ 1,804,184.97	
Prepaid Applied	<u>11,746.83</u>	
	1,815,931.80	
Canceled	4,910.45	
Transfer to Lien	<u>1,736.00</u>	
		<u>1,822,578.25</u>
Balance December 31, 2010		<u><u>\$ 351,393.43</u></u>

Exhibit SA-8

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Liens Receivable
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 8,384.21
Increased by:		
Transfer from Trash Rents Receivable		<u>1,736.00</u>
		10,120.21
Decreased by:		
Receipts		<u>468.36</u>
Balance December 31, 2010		<u><u>\$ 9,651.85</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Accrued</u> <u>In 2010</u>	<u>Collected</u>	<u>General</u> <u>Capital Fund</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Miscellaneous Revenue Anticipated:					
Licenses:					
Alcoholic Beverages		\$ 13,417.00	\$ 13,417.00		
Other		11,966.00	11,966.00		
Fees and Permits					
Other		13,965.67	13,965.67		
Fines and Costs:					
Municipal Court	\$ 29,264.35	325,911.46	339,043.78		\$ 16,132.03 (1)
Interest and Costs on Taxes		195,271.48	195,271.48		
Interest on Investments and Deposits		118,328.78	116,878.74	\$ 1,578.02	
Trailer Park Licenses and Fees		82,621.56	82,621.56		
Cable Television Franchise Fees		71,173.07	71,173.07		
Police Officers in School		152,574.50	152,574.50		
Consolidated Municipal Property Tax Relief Aid		655,619.50	655,619.50		
Energy Receipts Tax P.L. 1997,					
Chapters 162 & 167)		2,333,383.00	2,333,383.00		
Garden State Trust Pilot Aid		27,641.00	27,641.00		
	<u>\$ 29,264.35</u>	<u>\$ 4,001,873.02</u>	<u>\$ 4,013,555.30</u>	<u>\$ 1,578.02</u>	<u>\$ 16,132.03</u>

(1) December 2010

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Transfer to</u> <u>Accounts Payable</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>				
GENERAL GOVERNMENT						
Administrative and Executive						
Salaries and Wages	\$	196.96	\$	196.96	\$	196.96
Township Council		7,383.02		7,383.02		7,350.71
Mayor / Business Administrator				32.31		
Other Expenses						
Township Council	1,274.81	\$ 7,481.06	8,755.87	5,473.28		3,282.59
Mayor / Business Administrator	552.86	1,104.64	1,657.50	931.58		725.92
Township Clerk	393.76		393.76	90.00		303.76
Financial Administration						
Other Expenses	3,125.61	15,147.90	18,273.51	17,530.00		743.51
Assessment of Taxes						
Salaries and Wages	654.46		654.46			654.46
Other Expenses	676.12	5,750.91	6,427.03	5,750.91		676.12
Collection of Taxes						
Other Expenses	467.97	2,256.50	2,724.47	2,151.50		572.97
Liquidation of Tax Title Liens and Foreclosures						
Other Expenses		43,503.00	43,503.00	36,550.46	\$ 6,952.54	
Legal Services						
Other Expenses	24,367.40		24,367.40	16,957.82		7,409.58
Municipal Prosecutor						
Other Expenses	3,700.00		3,700.00			3,700.00
Engineering Services						
Other Expenses	11,596.41	34,450.00	46,046.41	37,964.41	947.50	7,134.50
Audit Services						
Other Expenses		33,800.00	33,800.00	33,800.00		
Collection of Trash Billing						
Salaries and Wages	628.00		628.00			628.00
Other Expenses	326.78	841.50	1,168.28	757.35		410.93

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Transfer to</u> <u>Accounts Payable</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>				
GENERAL GOVERNMENT (CONT'D)						
MUNICIPAL LAND USE LAW						
Planning Boards						
Salaries and Wages	\$ 1,964.99	\$	1,964.99		\$	1,964.99
Other Expenses	584.76		584.76	27.84		556.92
Zoning Boards						
Salaries and Wages	1,988.70		1,988.70			1,988.70
Other Expenses	1,392.33		1,392.33			1,392.33
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	66,933.37		66,933.37			66,933.37
Other Expenses	2,333.56	\$ 39,579.98	41,913.54	33,506.43	\$ 3,500.00	4,907.11
Aid to Volunteer Fire Companies:						
Browns Mills Fire Company #1		25,500.00	25,500.00	25,000.00		500.00
Magnolia Road Fire Company #1		25,500.00	25,500.00	25,000.00		500.00
Country Lakes Fire Company #1		500.00	500.00			500.00
President Lakes Fire and Rescue Squad		25,500.00	25,500.00	25,000.00		500.00
Aid to Municipal or Volunteer Fire Companies - Contracts						
Goodwill Fire Company		25,000.00	25,000.00	25,000.00		
First Aid Organization Contributions:						
Country Lakes Rescue Squad		25,000.00	25,000.00			25,000.00
President Lakes Rescue Squad		12,000.00	12,000.00	12,000.00		
Office of Emergency Management						
Other Expenses	162.98	14,828.00	14,990.98	13,101.20		1,889.78
INSURANCE						
Group Insurance Plan for Employees	1,013.15		1,013.15	960.05		53.10
Workers Compensation Insurance	4,652.46	49,917.92	54,570.38	30,749.38		23,821.00

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Transfer to</u> <u>Accounts Payable</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>				
GENERAL GOVERNMENT (CONT'D)						
HEALTH AND WELFARE:						
Animal Control Services	\$ 794.38		\$ 794.38			\$ 794.38
Salaries and Wages	1,475.30	\$ 536.50	2,011.80	\$ 517.07		1,494.73
Other Expenses						
Environmental Protection	4,126.96		4,126.96	4,466.96		(340.00)
Other Expenses						
Domestic Violence Response	600.00	1,500.00	2,100.00	1,300.00		800.00
Other Expenses						
RECREATION AND EDUCATION FUNCTIONS						
Recreation Services and Programs	13,440.90		13,440.90			13,440.90
Salaries and Wages	12,738.24	26,482.50	39,220.74	23,295.20		15,925.54
Other Expenses						
Senior Citizens Programs	1,657.11		1,657.11			1,657.11
Salaries and Wages	2,878.65	7,674.21	10,552.86	9,832.34		720.52
Other Expenses						
PUBLIC WORKS FUNCTIONS						
Public Buildings and Grounds	9,245.20		9,245.20	187.87		9,057.33
Salaries and Wages	52,819.54	57,823.67	110,643.21	48,164.07	\$ 528.00	61,951.14
Other Expenses						
Fire Hydrant Services	1,127.38		1,127.38			1,127.38
Other Expenses						
STREETS AND ROADS						
Road Repair and Maintenance	2,495.64		2,495.64			2,495.64
Salaries and Wages	1,309.14	163,451.20	164,760.34	121,871.00		42,889.34
Other Expenses						

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Appropriation Reserves

For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Transfer to</u> <u>Accounts Payable</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>				
GENERAL GOVERNMENT (CONT'D)						
STREETS AND ROADS (CONT'D)						
Solid Waste Disposal	\$ 2,513.85	\$	2,513.85		\$	2,513.85
Fleet Management						
Salaries and Wages	2,016.26		2,016.26			2,016.26
Other Expenses	31,111.69	\$ 115,198.44	146,310.13	\$ 112,479.17		33,830.96
Traffic Signals	615.77		615.77	47.18		568.59
Demolition of Buildings	1,227.89		1,227.89			1,227.89
Township Code Enforcement						
Salaries and Wages	1,209.12		1,209.12			1,209.12
Other Expenses	1,968.09	2,213.02	4,181.11	2,150.71		2,030.40
Municipal Court						
Salaries and Wages	21,000.57		21,000.57	3,762.61		17,237.96
Other Expenses	5,916.13	7,227.10	13,143.23	7,282.10		5,861.13
Utilities and Bulk Purchases	200,772.70	74,789.74	275,562.44	83,953.90		191,608.54
Urban Enterprise Zone						
Salaries and Wages	70.56		70.56			70.56
Other Expenses	378.47		378.47			378.47
STATUTORY EXPENDITURES						
Contribution to:						
Social Security System (O.A.S.I.)	44,706.57		44,706.57			44,706.57
Unemployment Compensation Insurance	100.00		100.00	100.00		
	<u>\$ 554,686.57</u>	<u>\$ 844,557.79</u>	<u>\$ 1,399,244.36</u>	<u>\$ 767,744.70</u>	<u>\$ 11,928.04</u>	<u>\$ 619,571.62</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 161,697.64
Increased by:	
Transferred from Appropriation Reserves	<u>11,928.04</u>
	173,625.68
Decreased by:	
Cash Disbursed	<u>113,050.21</u>
Balance December 31, 2010	<u><u>\$ 60,575.47</u></u>

Exhibit SA-12

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Reserves for Encumbrances
For the Year Ended December 31, 2010

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2009	\$ 844,557.79	\$ 29,768.80
Increased by:		
2010 Budget Appropriations	769,960.12	
Federal and State Grants Appropriated	<u> </u>	<u>79,319.96</u>
	1,614,517.91	109,088.76
Decreased by:		
Transfer to Appropriation Reserves	844,557.79	
Disbursed	<u> </u>	<u>17,740.09</u>
Balance December 31, 2010	<u><u>\$ 769,960.12</u></u>	<u><u>\$ 91,348.67</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 365,057.56
Increased by:	
Collection - 2011 Taxes	<u>289,600.39</u>
	654,657.95
Decreased by:	
Application to 2010 Taxes	<u>365,057.56</u>
Balance December 31, 2010	<u><u>\$ 289,600.39</u></u>

Exhibit SA-14

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 27,708.43
Increased by:	
Cash Received	<u>517,973.43</u>
	545,681.86
Decreased by:	
Applied to Prior Years Taxes	\$ 11,976.48
Applied to Current Year Taxes	103,366.36
Refunds	<u>45,002.10</u>
	<u>160,344.94</u>
Balance December 31, 2010	<u><u>\$ 385,336.92</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Rent Overpayments
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 11,746.83
Increased by:	
Cash Received	<u>12,788.27</u>
	24,535.10
Decreased by:	
Prepaid Applied	<u>11,746.83</u>
Balance December 31, 2010	<u><u>\$ 12,788.27</u></u>

Exhibit SA-16

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2010

2010 Levy -	
County General	\$ 5,271,650.54
County Library	499,891.57
County Open Space	<u>682,288.61</u>
	6,453,830.72
Decreased by:	
Disbursements	<u><u>\$ 6,453,830.72</u></u>

Exhibit SA-17

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 36,057.12
Increased by:	
Added & Omitted Taxes Levied in 2010	<u>33,781.05</u>
	69,838.17
Decreased by:	
Disbursements	<u>36,057.12</u>
Balance December 31, 2010	<u><u>\$ 33,781.05</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Local District School Taxes
For the Year Ended December 31, 2010

Increased by:	
Levy - School Year July 1, 2010 to June 30, 2011	\$ 11,223,708.00
Decreased by:	
Disbursements	<u>\$ 11,223,708.00</u>

Exhibit SA-19

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 775.00
Increased by:	
State Fees Collected	<u>3,775.00</u>
	4,550.00
Decreased by:	
Disbursed to State of New Jersey	<u>3,525.00</u>
Balance December 31, 2010	<u>\$ 1,025.00</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Federal and State Grant Fund
 Statement of Federal, State, and Other Grants Receivable
 For the Year Ended December 31, 2010

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Federal Grants:					
D.C.A.- Small Cities Grant	\$ 150,000.00	\$ 200,000.00			\$ 350,000.00
Bulletproof Vest Partnership Grant	11,213.00				11,213.00
Department of Transportation- Springfield Road	80,000.00		\$ 80,000.00		
Department of Transportation- Norcross Lane I	17,000.00				17,000.00
Department of Transportation- Norcross Lane II	93,465.15		88,281.20		5,183.95
Department of Transportation- Lemmon Avenue	196,915.00			\$ 196,915.00	
Total Federal Grants	548,593.15	200,000.00	168,281.20	196,915.00	383,396.95
State Grants:					
New Jersey Department of Environmental Protection:					
Lebanon Forest #1 Dam Rehabilitation	6,477.08				6,477.08
Clean Communities Program	1,456.00	60,099.55	60,099.55		1,456.00
Urban Enterprise Zone		40,000.00			40,000.00
Urban Enterprise Zone - Marketing		110,000.00			110,000.00
Urban Enterprise Zone - Town Clock	20,000.00				20,000.00
Urban Enterprise Zone - Welcome Signs	28,000.00		6,962.19		21,037.81
Urban Enterprise Zone - Clean Team (S&W)	256,895.00		149,004.04		107,890.96
Urban Enterprise Zone - Clean Team (Equipment)	110,723.11		74,305.00		36,418.11
Downtown Revitalization	13,443.05	28,400.00	13,442.93		28,400.12
Municipal Drug Alliance Grant	43,733.79	21,000.00	7,213.30	7,462.57	50,057.92
Body Armor Replacement Grant		6,886.10	6,886.10		
Drunk Driving Enforcement Grant		33,629.66	33,629.66		
Division of Highway Safety - Over the Limit Under Arrest	3,640.00	4,400.00	4,400.00	3,640.00	
Recycling Tonnage Grant		37,966.59	37,966.59		
Municipal Stormwater Grant	25,774.00				25,774.00
Volunteer Fire Assistance Grant		4,583.00	4,583.00		
Safe and Secure Communities Grant		60,000.00	28,993.50		31,006.50
Total State Grants	510,142.03	406,964.90	427,485.86	11,102.57	478,518.50
Total All Grants	\$ 1,058,735.18	\$ 606,964.90	\$ 595,767.06	\$ 208,017.57	\$ 861,915.45

TOWNSHIP OF PEMBERTON
CURRENT FUND

Federal and State Grant Fund

Statement of Reserve for Federal, State, and Other Grants - Unappropriated
For the Year Ended December 31, 2010

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Accrued</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2010 Budget</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Federal Grants:				
DCA - Small Cities Block Grant	\$ -	\$ 200,000.00	\$ 200,000.00	\$ -
State Grants:				
Clean Communities		60,099.55	60,099.55	
Urban Enterprise Zone - Marketing		110,000.00	110,000.00	
Urban Enterprise Zone		40,000.00	40,000.00	
Downtown Revitalization		28,400.00	28,400.00	
Municipal Drug Alliance Grant		21,000.00	21,000.00	
Body Armor Replacement Grant		6,886.10	6,886.10	
Division of Highway Safety- Over the Limit Under Arrest		4,400.00	4,400.00	
Recycling Tonnage Grant		37,966.59		37,966.59
Drunk Driving Enforcement Grant		33,629.66	33,629.66	
Volunteer Fire Assistance Grant		4,583.00	4,583.00	
Safe and Secure Communities Grant	28,993.50	60,000.00	88,993.50	
Total State Grants	28,993.50	406,964.90	397,991.81	37,966.59
Total All Grants	\$ 28,993.50	\$ 606,964.90	\$ 597,991.81	\$ 37,966.59

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Federal and State Grant Fund
 Statement of Reserves for Federal, State, and Other Grants - Appropriated
 For the Year Ended December 31, 2010

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Transferred from</u> <u>2010 Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Federal Grants:						
Bulletproof Vest Partnership	\$ 4,200.00			\$ 4,200.00		\$ 127,735.00
Department of Transportation- Norcross Lane I	127,735.00					110,250.00
Department of Transportation- Kinsley Road Phase III	110,250.00					80,000.00
Department of Transportation- Springfield Road	80,000.00					150,000.00
Department of Transportation- Norcross Lane II	150,000.00				\$ 196,915.00	
Department of Transportation- Lemmon Avenue	196,915.00					303,852.00
D.C.A.- Small Cities Grant	4,852.00	\$ 299,000.00				
Total Federal Grants	673,952.00	299,000.00	\$ -	4,200.00	196,915.00	771,837.00
State Grants:						
Clean Communities	73,064.91	60,099.55	7,045.76			126,118.70
Drunk Driving Enforcement Grant		33,629.66	5,405.61	142.00		28,082.05
Special Legislative Grant - Recreation	3,120.65		3,120.65			
Urban Enterprise Zone - Police	27,600.00					27,600.00
Urban Enterprise Zone - Clean Team (S&W)	256,895.00			63,887.00		256,895.00
Urban Enterprise Zone - Clean Team (Equipment)	98,290.19	40,000.00				34,403.19
Urban Enterprise Zone		110,000.00				40,000.00
Urban Enterprise Zone - Marketing			90,533.00	601.00		18,866.00
Urban Enterprise Zone - Welcome Signs	3,762.00		1,099.00			2,663.00
Urban Enterprise Zone - Town Clock	1,877.00				2,749.00	1,877.00
Emergency Management Grant	2,749.00				7,462.57	
Municipal Drug Alliance Grant	25,945.66	26,250.00	17,351.56	568.14		26,813.39
Body Armor Replacement Grant	3,604.79	6,886.10		8,599.07		1,891.82
Division of Highway Safety- Over the Limit Under Arrest	9,490.00	4,400.00	10,250.00		3,640.00	
New Jersey Department of Environmental Protection:						
Lebanon Forest #1 Dam Rehabilitation	323,854.00					323,854.00
New Jersey Department of Agriculture - Gypsy Moth	8,309.22					8,309.22
Recycling Tonnage Grant	37,339.92		22,171.25			15,168.67
Municipal Stormwater Grant	14,814.63		2,260.80			12,553.83
NJ State Police- Exercise Equipment	5,952.25		4,216.80	1,322.75		412.70
Volunteer Fire Assistance Grant		4,583.00				4,583.00
Down Town Revitalization	1,375.00	28,400.00	11,844.50			17,930.50
Safe and Secure Communities Grant	55,392.00	88,993.50			55,392.00	88,993.50
Total State Grants	953,436.22	403,241.81	175,298.93	75,119.96	69,243.57	1,037,015.57
Other Grants:						
Domestic Violence Grant	400.29				400.29	562.00
U.S. Tennis Association - Tennis Program Grant	562.00					
Total All Grants	\$ 1,628,350.51	\$ 702,241.81	\$ 175,298.93	\$ 79,319.96	\$ 266,558.86	\$ 1,809,414.57

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Animal Control Fund</u>	<u>Other Trust</u>
Balance December 31, 2009	\$ 26,371.07	\$ 4,864,516.17
Increased by Receipts:		
Dog License Fees	\$ 30,723.40	
State Registration Fees	5,568.60	
Due to the State of New Jersey -		
D.C.A. Training Fees		\$ 12,445.00
Due from Bank		5.00
Due to Third Party Inspections		6,565.51
Reserve for:		
Uniform Construction Code		213,113.49
Off Duty Police		37,130.99
Special Law Enforcement		17,069.19
Payroll Deductions Payable		11,934,258.75
Parking Offense Adjudication Act		52.00
Self Insurance Claims		152,036.01
Employee Health Care Insurance		1,273,948.61
NJ Unemployment Compensation		15,833.99
Urban Enterprise Zone		345,706.44
Browns Mill Dental		104.28
RCA Trust Funds		43,850.75
Local Law Enforcement Block Grant		0.24
Public Defender Fees		22,897.50
Fire Safety		3,125.00
Recreation Contributions		67,076.01
Escrow Deposits		204,836.53
Municipal Court Escrows		640.00
Tax Sale Premiums		49,850.00
Redemption of Tax Title Liens		1,496,455.54
Security Bonds		400.00
Affordable Housing		15,593.44
Clerk Escrow Deposits		9,000.00
Land Use Surety		20.00
Pemberton Farms Association		24,730.18
	<u>36,292.00</u>	<u>15,946,744.45</u>
Carried Forward	62,663.07	20,811,260.62

(Continued)

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Trust Cash - Treasurer

	<u>Animal Control Fund</u>	<u>Other Trust</u>
Brought Forward	\$ 62,663.07	\$ 20,811,260.62
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	\$ 19,738.63	
State Registration Fees	5,523.60	
Due to Current Fund		\$ 21,337.94
Due to the State of New Jersey - D.C.A. Training Fees		11,735.00
Reserves for:		
Uniform Construction Code		279,614.19
Off Duty Police		33,442.35
Special Law Enforcement		56,876.64
Payroll Deductions Payable		11,849,282.34
Compensated Absences		44,055.57
Imagination Kingdom		700.00
Self Insurance Claims		22,426.80
Employee Health Care Insurance		2,359,724.33
NJ Unemployment Compensation		29,477.29
Urban Enterprise Zone		231,621.23
D.A.R.E. Program		1,428.35
RCA Trust Funds		33,984.00
Public Defender Fees		35,056.90
Fire Safety		4,721.11
Recreation Contributions		50,861.59
Escrow Deposits		229,060.28
Tax Sale Premiums		51,150.00
Redemption of Tax Title Liens		1,480,770.62
	<u>25,262.23</u>	<u>16,827,326.53</u>
Balance December 31, 2010	<u><u>\$ 37,400.84</u></u>	<u><u>\$ 3,983,934.09</u></u>

TOWNSHIP OF PEMBERTON
TRUST- ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 26,308.67
Increased by Receipts:	
Dog License Fees Collected	<u>30,723.40</u>
	57,032.07
Decreased by Disbursements:	
Expenditures under R.S. 4:19-15.11 - Cash	<u>19,738.63</u>
Balance December 31, 2010	<u><u>\$ 37,293.44</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2008	\$ 26,970.00
2009	<u>34,399.20</u>
	<u><u>\$ 61,369.20</u></u>

TOWNSHIP OF PEMBERTON
TRUST- ANIMAL CONTROL FUND
Statement of Due State of New Jersey - Dog License Registration Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 62.40
Increased by:	
Dog License Registration Fees Collected	<u>5,568.60</u>
	5,631.00
Decreased by:	
Disbursed to State Treasurer	<u>5,523.60</u>
Balance December 31, 2010	<u><u>\$ 107.40</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 25,616.45
Decreased by:	
Interfund Returned	<u>21,337.94</u>
Balance December 31, 2010	<u><u>\$ 4,278.51</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Due to the State of New Jersey - D.C.A. Training Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 2,835.00
Increased by:	
State Fees Collected	<u>12,445.00</u>
	15,280.00
Decreased by:	
Paid to the State of New Jersey	<u>11,735.00</u>
Balance December 31, 2010	<u><u>\$ 3,545.00</u></u>

Exhibit SB-6

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Uniform Construction Code
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 384,333.89
Increased by:	
Construction Fees Collected	<u>213,113.49</u>
	597,447.38
Decreased by:	
Disbursements	\$ 279,614.19
Encumbrances Payable	<u>8,449.00</u>
	<u>288,063.19</u>
Balance December 31, 2010	<u><u>\$ 309,384.19</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Off Duty Police
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 31,980.67
Increased by:	
Cash Received	<u>37,130.99</u>
	69,111.66
Decreased by:	
Disbursements	<u>33,442.35</u>
Balance December 31, 2010	<u><u>\$ 35,669.31</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Special Law Enforcement
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 105,477.39
Increased by:		
Cash Received	\$ 15,913.06	
Interest Earned	<u>1,156.13</u>	
		<u>17,069.19</u>
		122,546.58
Decreased by:		
Disbursements	56,876.64	
Encumbrances Payable	<u>22,420.40</u>	
		<u>79,297.04</u>
Balance December 31, 2010		<u><u>\$ 43,249.54</u></u>

Exhibit SB-9

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 20,372.91
Increased by:		
Deposits Received from Current Account		<u>11,934,258.75</u>
		11,954,631.66
Decreased by:		
Disbursements		<u>11,849,282.34</u>
Balance December 31, 2010		<u><u>\$ 105,349.32</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Parking Offense Adjudication Act
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 254.00
Increased by:	
Receipts	<u>52.00</u>
Balance December 31, 2010	<u><u>\$ 306.00</u></u>

Exhibit SB-11

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Compensated Absences
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 116,320.66
Decreased by:	
Cash Disbursed	<u>44,055.57</u>
Balance December 31, 2010	<u><u>\$ 72,265.09</u></u>

Exhibit SB-12

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Imagination Kingdom
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 744.71
Decreased by:	
Cash Disbursed	<u>700.00</u>
Balance December 31, 2010	<u><u>\$ 44.71</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Self Insurance Claims
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 740,277.66
Increased by:	
Deposits	<u>152,036.01</u>
	892,313.67
Decreased by:	
Claims and Other Expenses	<u>22,426.80</u>
Balance December 31, 2010	<u><u>\$ 869,886.87</u></u>

Exhibit SB-14

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Employee Health Care Insurance
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 1,906,023.60
Increased by:	
Cash Received from Current Fund	\$ 1,028,410.62
Other Deposits	<u>245,537.99</u>
	<u>1,273,948.61</u>
	3,179,972.21
Decreased by:	
Claims Paid	<u>2,359,724.33</u>
Balance December 31, 2010	<u><u>\$ 820,247.88</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for NJ Unemployment Compensation
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 91,087.30
Increased by:		
Deposits	\$ 14,752.05	
Interest	<u>1,081.94</u>	
		<u>15,833.99</u>
		106,921.29
Decreased by:		
Claims Paid		<u>29,477.29</u>
Balance December 31, 2010		<u><u>\$ 77,444.00</u></u>

Exhibit SB-16

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Urban Enterprise Zone
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 215,940.89
Increased by:		
State of New Jersey	\$ 341,744.23	
Interest	<u>3,962.21</u>	
		<u>345,706.44</u>
		561,647.33
Decreased by:		
Cash Disbursed		<u>231,621.23</u>
Balance December 31, 2010		<u><u>\$ 330,026.10</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Browns Mill Dental
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 20,803.46
Increased by:	
Interest Earned	<u>104.28</u>
Balance December 31, 2010	<u><u>\$ 20,907.74</u></u>

Exhibit SB-18

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for D.A.R.E.
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 1,431.55
Decreased by:	
Cash Disbursed	<u>1,428.35</u>
Balance December 31, 2010	<u><u>\$ 3.20</u></u>

Exhibit SB-19

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for RCA Trust Funds
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 429,604.36
Increased by:	
Deposits	\$ 38,404.00
Interest	<u>5,446.75</u>
	<u>43,850.75</u>
	473,455.11
Decreased by:	
Cash Disbursed	33,984.00
Encumbrance Payable	<u>45,548.96</u>
	<u>79,532.96</u>
Balance December 31, 2010	<u><u>\$ 393,922.15</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Local Law Enforcement Block Grant
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 51.56
Increased by:	
Interest Earned	<u>0.24</u>
Balance December 31, 2010	<u><u>\$ 51.80</u></u>

Exhibit SB-21

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Public Defender Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 20,097.77
Increased by:	
Cash Received from Municipal Court	<u>22,897.50</u>
	42,995.27
Decreased by:	
Cash Disbursed - Public Defender Expenses	\$ 35,056.90
Encumbrances Payable	<u>73.07</u>
	<u>35,129.97</u>
Balance December 31, 2010	<u><u>\$ 7,865.30</u></u>

Exhibit SB-22

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Fire Safety
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 3,060.73
Increased by:	
Cash Received	<u>3,125.00</u>
	6,185.73
Decreased by:	
Cash Disbursed	\$ 4,721.11
Encumbrance Payable	<u>110.00</u>
	<u>4,831.11</u>
Balance December 31, 2010	<u><u>\$ 1,354.62</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Recreation Contributions
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 35,844.38
Increased by:	
Contributions	<u>67,076.01</u>
	102,920.39
Decreased by:	
Cash Disbursed	\$ 50,861.59
Encumbrances Payable	<u>448.06</u>
	<u>51,309.65</u>
Balance December 31, 2010	<u><u>\$ 51,610.74</u></u>

Exhibit SB-24

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Escrow Deposits
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 336,483.59
Increased by:	
Escrow Deposits	\$ 204,298.94
Interest Earned	<u>537.59</u>
	<u>204,836.53</u>
	541,320.12
Decreased by:	
Cash Disbursed - Escrow Expenses	<u>229,060.28</u>
Balance December 31, 2010	<u><u>\$ 312,259.84</u></u>

Exhibit SB-25

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Municipal Court Escrows
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 6,842.06
Increased by:	
Cash Received	<u>640.00</u>
Balance December 31, 2010	<u><u>\$ 7,482.06</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Tax Sale Premiums
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 130,700.00
Increased by:	
Premiums Received	<u>49,850.00</u>
	180,550.00
Decreased by:	
Cash Disbursed	<u>51,150.00</u>
Balance December 31, 2010	<u><u>\$ 129,400.00</u></u>

Exhibit SB-27

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Redemption of Tax Title Liens
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 94,770.96
Increased by:	
2010 Deposits for Tax Title Lien Certificates	<u>1,496,455.54</u>
	1,591,226.50
Decreased by:	
Tax Lien Certificates Redeemed	<u>1,480,770.62</u>
Balance December 31, 2010	<u><u>\$ 110,455.88</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investment - Treasurer
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 2,433,738.13
Increased by Receipts:		
Budget Appropriations:		
Capital Improvement Fund	\$ 325,000.00	
Bond Anticipation Note Issued for Cash	2,500,000.00	
Premium on Sale of Bond Anticipation Note	2,750.00	
Due from Current Fund	1,578.02	
Due from Federal and State Grant Fund	36,750.00	
		<u>2,866,078.02</u>
		5,299,816.15
Decreased by Disbursements:		
Disbursed to Current Fund	2,057,232.00	
Due from Current Fund	2,675.95	
Improvement Authorizations	1,339,587.74	
		<u>3,399,495.69</u>
Balance December 31, 2010		<u><u>\$ 1,900,320.46</u></u>
<u>Analysis of Balance</u>		
Cash		\$ 56,846.44
Cash Held by Fiscal Agent		<u>1,843,474.02</u>
		<u><u>\$ 1,900,320.46</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2010

	Receipts			Disbursements			Balance Dec. 31, 2010
	Balance Dec. 31, 2009	Bond Anticipation Notes	Budget Appropriations	Miscel- laneous	Improvement Authorizations	Bond Anticipation Notes	
Fund Balance	\$ 348,507.47			\$ 2,750.00			\$ 351,257.47
Capital Improvement Fund	24,541.00		\$ 325,000.00				23,245.00
Reserve for Payment of Debt	48,192.00						102,540.19
Excess Bond Anticipation Note Proceeds		\$ 200,000.00					200,000.00
<u>Improvement Authorizations:</u>							
<u>Ord. Date</u>							
2000-13 Recreation Improvements, Purchase of Equipment & Various Road Improvements	245,775.00				\$ 21,600.00		32,300.00
2003-17/ 2003-21 Acquisition of 5 Trucks & Heavy Equipment	26,570.00						26,570.00
2003-8 Municipal Building Roof, Drainage Improvements, Streets & Roads	477,750.60						477,750.60
2005-21 Dam Reconstruction & Kinsley Road Reconstruction	(290,033.51)	2,300,000.00			322,802.82		(1,083,541.91)
2006-11 2004 Road Program	7,426.00						7,426.00
2006-22 Various Capital Improvements	91,433.12				10,678.93		828,369.19
2007-07 Various Capital Improvements	296,623.56				89,091.74		255,552.82
2007-08 Various Improvements & Equipment Acquisitions	186,139.35				1,139.00		185,000.35
2007-13 Acquisition of 2 Four Wheel Drive Vehicles	2,619.51						2,619.51
2008-17 Various Capital Improvements	111,664.34				90,812.64		(175,697.99)
2009-13 Improvements to Township Roads and 2010-2 Drainage	(467,985.68)				257,850.96		(599,922.17)
						264,158.01	67,608.32
						390,077.99	515,992.46
						4,553.00	185,000.35
						376,169.46	(1,083,541.91)
						4,000.90	751,615.90
						18,575.37	66,596.37
						4,553.00	185,000.35
						264,158.01	67,608.32
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						4,553.00	185,000.35
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						4,553.00	185,000.35
						264,158.01	67,608.32
						390,077.99	515,992.46
						4,553.00	185,000.35

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Receipts			Disbursements			Transfers		Balance Dec. 31, 2010
		Bond Anticipation Notes	Budget Appropriations	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
<u>Improvement Authorizations (Cont'd)</u>										
2009-15 Construction of Imagination Kingdom Playground	\$ 283,867.22				\$ 257,978.31			\$ 3,114.38	\$ 208,101.70	\$ 230,876.23
2009-20 Renovations to Municipal Courtroom	12,605.88				186,162.22			1,473.90	175,030.24	
2010-12 Improvements to Roads					95,226.25			737,021.90	48,000.00	(784,248.15)
2010-14 Various Capital Improvements					6,244.87			416.23	277,000.00	270,338.90
Reserve for Encumbrances	990,975.67							959,398.35	1,594,713.72	1,626,291.04
Due to Current Fund	275,902.54			\$ 1,578.02		\$ 2,059,907.95		1,361,216.19	3,365,100.00	221,456.42
Due Federal & State Grant Fund	(36,750.00)			36,750.00						
Due from State of New Jersey-Green Acres Fund:										
Garden State Preservation Grant	(890,000.00)									(890,000.00)
Reserve for Capital Lease	603,034.06									624,436.96
Reserve for Good Faith Deposit	84,880.00							84,880.00	21,402.90	
	\$ 2,433,738.13	\$ 2,500,000.00	\$ 325,000.00	\$ 41,078.02	\$ 1,339,587.74	\$ -	\$ 2,059,907.95	\$ 7,606,724.26	\$ 7,606,724.26	\$ 1,900,320.46

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 14,073,995.07
Increased by:		
Green Acres Loan Issued	\$ 445,000.00	
Transfer from Deferred Charges - Unfunded	<u>4,244,000.00</u>	
		4,689,000.00
		18,762,995.07
Decreased by:		
2010 Budget Appropriation to Pay:		
General Serial Bonds	966,000.00	
Environmental Infrastructure Loan	42,181.00	
Green Acres Trust Loan	31,073.00	
Burlington County Bridge Commission Lease	<u>203,184.00</u>	
		<u>1,242,438.00</u>
Balance December 31, 2010		<u><u>\$ 17,520,557.07</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Canceled	Transfer to Deferred Charges - Funded	Balance Dec. 31, 2010	Analysis of Balance Dec. 31, 2010		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2005-21	Dam Reconstruction & Kinsley Road Reconstruction	\$ 5,073,000.00				\$ 5,073,000.00	\$ 2,300,000.00	\$ 1,083,541.91	\$ 1,689,458.09
2006-22	Various Capital Improvements	1,461,900.00			\$ 1,461,900.00				
2007-07	Various Capital Improvements	1,947,500.00			1,947,500.00				
2008-17	Various Capital Improvements	1,100,199.00		\$ 250,000.00	361,539.00	488,660.00		175,697.99	312,962.01
2009-13 2010-2	Improvements to Township Roads and Drainage	670,178.00	\$ 442,704.00		473,061.00	639,821.00		599,922.17	39,898.83
2010-12	Improvements to Roads		952,000.00			952,000.00		784,248.15	167,751.85
		<u>\$ 10,252,777.00</u>	<u>\$ 1,394,704.00</u>	<u>\$ 250,000.00</u>	<u>\$ 4,244,000.00</u>	<u>\$ 7,153,481.00</u>	<u>\$ 2,300,000.00</u>	<u>\$ 2,643,410.22</u>	<u>\$ 2,210,070.78</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 275,902.54
Increased by:		
Interest on Investments - Due to Current Fund	\$ 1,578.02	
Cash Disbursed by Current Fund - Improvement Authorization 2005-21	1,000.00	
Reserve for Payment of Debt Anticipated as Current Fund Budget Revenue	<u>48,192.00</u>	
		<u>50,770.02</u>
		326,672.56
Decreased by:		
Cash Received in Current Fund-Reserved to Pay Debt	102,540.19	
Debt Service Paid for Current Fund	<u>2,675.95</u>	
		<u>105,216.14</u>
Balance December 31, 2010		<u><u>\$ 221,456.42</u></u>

Exhibit SC-6

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 24,541.00
Increased by:		
2010 Budget Appropriation		<u>325,000.00</u>
		349,541.00
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>326,296.00</u>
Balance December 31, 2010		<u><u>\$ 23,245.00</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Due from Federal and State Grant Fund
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 36,750.00
Decreased by:	
Interfund Received	<u>\$ 36,750.00</u>

Exhibit SC-8

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 48,192.00
Increased by:	
Due from Current Fund - D.O.T. Funds Received - Reserved to Pay Debt	<u>102,540.19</u>
	150,732.19
Decreased by:	
Payment of Debt Service Anticipated as Revenue in Current Year	<u>48,192.00</u>
Balance December 31, 2010	<u>\$ 102,540.19</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date	Ordinance Amount	2010 Authorizations			Transfer from Encumbrances Payable	Paid or Charged	Improvement Authorization Canceled	Dec. 31, 2010	
				Capital Improvement Fund	Deferred Charges to Future Taxation - Unfunded	Unfunded				Funded	Unfunded
2000-13	Recreation Improvements, Purchase of Equipment & Various Road Improvements	8/3/2000	\$ 3,000,000.00	\$	245,775.00	\$	32,300.00	\$ 278,075.00		\$	-
2003-17/ 2003-21	Acquisition of 5 Trucks & Heavy Equipment	9/17/2003	400,000.00		26,570.00					26,570.00	
2003-8	Municipal Building Roof, Drainage Improvements, Streets & Roads	5/1/2003	1,350,000.00		477,750.60					477,750.60	
2005-21	Dam Reconstruction & Kinsley Road Reconstruction		5,073,000.00			\$ 1,782,966.49	376,169.46	469,677.86			\$ 1,689,458.09
2006-11	2004 Road Program	6/11/2006	200,000.00		7,426.00					7,426.00	
2006-22	Various Capital Improvements	11/7/2006	1,535,000.00			839,048.12	4,000.90	14,679.83		828,369.19	
2007-07	Various Capital Improvements	7/11/2007	2,050,000.00			334,623.56	28,596.37	107,667.11		255,552.82	
2007-08	Various Improvements & Equipment Acquisitions	7/11/2007	380,000.00		186,139.35		4,553.00	5,692.00		185,000.35	
2007-13	Acquisition of 2 Four Wheel Drive Vehicles	9/5/2007	60,000.00		2,619.51					2,619.51	312,962.01
2008-17	Various Capital Improvements	6/18/2008	1,158,105.00			619,296.34	67,608.32	123,942.65	\$ 250,000.00		
2009-13 2010-2	Improvements to Township Roads and Drainage	5/20/2009	705,450.00	\$ 1,296.00	\$ 442,704.00		41,635.46	647,928.95			39,898.83
2009-15	Construction of Imagination Kingdom Playground	6/17/2009	890,000.00		283,867.22		208,101.70	261,092.69		230,876.23	
2009-20	Renovations to Municipal Courtroom	9/2/2009	240,000.00		12,605.88		175,030.24	187,636.12			
2010-12	Improvements to Roads	8/4/2010	1,000,000.00					832,248.15			167,751.85
2010-14	Various Capital Improvements	8/18/2010	277,000.00					6,661.10		270,338.90	
				\$ 1,242,753.56	\$ 3,778,126.83	\$ 326,296.00	\$ 937,995.45	\$ 2,935,301.46	\$ 250,000.00	\$ 2,284,503.60	\$ 2,210,070.78
							Encumbrances Payable				
							Disbursed				
							\$ 1,594,713.72				
							1,339,587.74				
							\$ 2,934,301.46				

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Capital Lease Purchases
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 603,034.06
Increased by:	
Prior Year Encumbrances Canceled	<u>21,402.90</u>
Balance December 31, 2010	<u><u>\$ 624,436.96</u></u>

Exhibit SC-11

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 990,975.67
Increased by:	
Charged to Improvement Authorizations	<u>1,594,713.72</u>
	2,585,689.39
Decreased by:	
Encumbrances Reallocated to Improvement Authorizations	\$ 937,995.45
Capital Lease Purchase Encumbrances Canceled	<u>21,402.90</u>
	<u>959,398.35</u>
Balance December 31, 2010	<u><u>\$ 1,626,291.04</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2010

<u>Ord. Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
2005-21	Dam Reconstruction & Kinsley Road Reconstruction	10/9/2008	10/9/2009 1/6/1010	1/7/2010 1/5/2011	2.74% 1.25%	\$ 3,000,000.00	\$ 2,300,000.00	\$ 3,000,000.00	\$ 2,300,000.00
2006-22	Various Capital Improvements	10/9/2008	10/9/2009	1/7/2010	2.74%	714,285.00		714,285.00	
2007-07	Various Capital Improvements	10/9/2008	10/9/2009	1/7/2010	2.74%	1,909,500.00		1,909,500.00	
2008-17	Various Capital Improvements	10/9/2008	10/9/2009	1/7/2010	2.74%	592,567.00		592,567.00	
2009-15	Improvements to Imagination Kingdom Playground	1/6/2010	1/6/1010	1/5/2011	1.25%		200,000.00		200,000.00
						<u>\$ 6,216,352.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 6,216,352.00</u>	<u>\$ 2,500,000.00</u>
	Renewals						\$ 2,300,000.00	\$ 2,300,000.00	
	Bond Anticipation Note Proceeds						200,000.00		
	Note Paid with Note Proceeds							931,028.00	
	Bonds Issued							2,985,324.00	
							<u>\$ 2,500,000.00</u>	<u>\$ 6,216,352.00</u>	<u>\$ 2,500,000.00</u>

TOWNSHIP OF PEMBERTON

GENERAL CAPITAL FUND

Statement of General Serial Bonds

For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Bonds Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>					
General Obligation Bonds	11/1/1996	\$ 3,645,500.00	11/1/2011	\$ 365,500.00	5.05%	\$ 695,500.00		\$ 330,000.00	\$ 365,500.00
General Obligation Bonds	10/24/2002	12,813,000.00	10/15/2011	669,000.00	3.41%				
			10/15/2012	705,000.00	3.51%				
			10/15/2013	740,000.00	3.65%				
			10/15/2014	777,000.00	3.79%				
			10/15/2015	810,000.00	3.90%				
			10/15/2016	850,000.00	4.00%				
			10/15/2017	893,000.00	4.07%				
			10/15/2018	937,000.00	4.15%				
			10/15/2019	984,000.00	4.25%				
			10/15/2020	1,012,000.00	4.35%	9,013,000.00		636,000.00	8,377,000.00
General Obligation Bonds	1/6/2010	4,244,000.00	11/1/2012	400,000.00	4.00%				
			11/1/2013	415,000.00	4.00%				
			11/1/2014	435,000.00	4.00%				
			11/1/2015	450,000.00	4.00%				
			11/1/2016	470,000.00	4.00%				
			11/1/2017	490,000.00	4.25%				
			11/1/2018	505,000.00	4.50%				
			11/1/2019	530,000.00	4.50%				
			11/1/2020	549,000.00	4.75%				
									\$ 4,244,000.00
						\$ 9,708,500.00	\$ 4,244,000.00	\$ 966,000.00	\$ 12,986,500.00

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
		<u>Date</u>	<u>Loans Outstanding December 31, 2010 Amount</u>					
Project No. 0329-91-047	\$ 99,375.00	06/01/11	\$ 3,755.00					
		12/01/11	3,793.00					
		06/01/12	3,830.00					
		12/01/12	3,869.00					
		06/01/13	3,907.00					
		12/01/13	3,947.00					
		06/01/14	3,986.00					
		12/01/14	4,026.00					
		06/01/15	4,066.00					
		12/01/15	4,107.00					
		06/01/16	4,148.00					
		12/01/16	4,189.00					
		06/01/17	4,231.00					
		12/01/17	4,274.00					
		06/01/18	4,316.00	2.00%	\$ 67,843.00		\$ 7,399.00	\$ 60,444.00
Project No. 0329-92-070	35,186.00	05/20/11	924.00					
		11/20/11	933.00					
		05/20/12	942.00					
		11/20/12	952.00					
		05/20/13	961.00					
		11/20/13	971.00					
		05/20/14	981.00					
		11/20/14	990.00					
		05/20/15	1,000.00					
		11/20/15	1,010.00					
		05/20/16	1,020.00					
		11/20/16	1,031.00					

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
		<u>Date</u>	<u>Loans Outstanding December 31, 2010 Amount</u>					
Project No. 0329-92-070 (Continued)	\$ 35,186.00	05/20/17	\$ 1,041.00					
		11/20/17	1,051.00					
		05/20/18	1,062.00					
		11/20/18	1,072.00					
		05/20/19	1,082.00	N/A	\$ 18,844.00		\$ 1,821.00	\$ 17,023.00
Project No. 0329-92-070	275,500.00	05/20/11	7,461.00					
		11/20/11	7,537.00					
		05/20/12	7,612.00					
		11/20/12	7,689.00					
		05/20/13	7,765.00					
		11/20/13	7,843.00					
		05/20/14	7,922.00					
		11/20/14	8,001.00					
		05/20/15	8,081.00					
		11/20/15	8,162.00					
		05/20/16	8,243.00					
		11/20/16	8,326.00					
		05/20/17	8,409.00					
		11/20/17	8,493.00					
		05/20/18	8,578.00					
		11/20/18	8,664.00	2.00%	143,490.00		14,704.00	128,786.00

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
		<u>Date</u>	<u>Loans Outstanding December 31, 2010 Amount</u>					
Project No. 0329-94-061	\$ 138,201.00	05/31/11	\$ 3,628.00					
		01/31/11	3,664.00					
		05/31/12	3,701.00					
		11/31/12	3,738.00					
		05/31/13	3,776.00					
		11/31/13	3,813.00					
		05/31/14	3,851.00					
		11/31/14	3,890.00					
		05/31/15	3,929.00					
		11/31/15	3,969.00					
		05/31/16	4,008.00					
		11/31/16	4,048.00					
		05/31/17	4,088.00					
		11/31/17	4,129.00					
		05/31/18	4,171.00					
		11/31/18	4,212.00					
		05/13/19	4,255.32	2.00%	\$ 74,019.32		\$ 7,149.00	\$ 66,870.32
Project No. 0329-08-037	445,000.00	Loan Maturity Schedule not Available				\$ 445,000.00		445,000.00
						\$ 445,000.00	\$ 31,073.00	\$ 718,123.32

TOWNSHIP OF PEMBERTON

Purpose	Amount of Loan Issued	Maturities of				Interest Rate	Balance Dec. 31, 2009	Paid by Budget Appropriation	Balance Dec. 31, 2010		
		Loans Outstanding December 31, 2010		Amount							
		Date									
Agreement Part A	\$ 345,000.00	1/1/2011	\$	20,000.00	5.00%						
		1/1/2012		25,000.00	5.50%						
		1/1/2013		25,000.00	5.50%						
		1/1/2014		25,000.00	5.50%						
		1/1/2015		25,000.00	5.50%						
		1/1/2016		30,000.00	5.00%						
		1/1/2017		30,000.00	5.00%						
		1/1/2018		30,000.00	5.00%	\$ 230,000.00	\$ 20,000.00	\$ 210,000.00			
Agreement Part B	369,000.00	02/01/11		3,766.00	N/A						
		08/01/11		17,651.00	N/A						
		02/01/12		3,384.00	N/A						
		08/01/12		20,740.00	N/A						
		02/01/13		2,907.00	N/A						
		08/01/13		20,263.00	N/A						
		02/01/14		2,430.00	N/A						
		08/01/14		19,785.00	N/A						
		02/01/15		1,996.00	N/A						
		08/01/15		19,352.00	N/A						
		02/01/16		1,562.00	N/A						
		08/01/16		22,389.00	N/A						
		02/01/17		1,041.00	N/A						
		08/01/17		21,868.00	N/A						
		02/01/18		521.00	N/A						
		08/01/18		4,812.25	N/A						
								186,648.25	22,181.00	164,467.25	
								\$ 416,648.25	\$ 42,181.00	\$ 374,467.25	

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Capital Lease Payable
For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Vehicles - Lease	7/29/2004	\$2,922,728.00	8/15/11-15	\$744,072.00	Various			
			8/15/16-20	713,584.00	Various			
			8/15/21-24	688,040.00	Various	\$ 2,286,600.50	\$ 140,904.00	\$ 2,145,696.50
Various Capital Improvements	8/31/2005	1,580,788.00	8/15/11-15	350,325.00	4.00%			
			8/15/16-20	426,445.00	4.00%			
			8/15/21-25	519,000.00	Various	1,358,050.00	62,280.00	1,295,770.00
						<u>\$ 3,644,650.50</u>	<u>\$ 203,184.00</u>	<u>\$ 3,441,466.50</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Authorizations</u>	<u>Note Paid With Note Proceeds</u>	<u>Bonds Issued</u>	<u>Green Acres Loan Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2010</u>
2005-21	Reconstruction of a Dam and Kinsley Road	\$ 2,073,000.00		\$ 700,000.00				\$ 2,773,000.00
2006-22	Various Capital Improvements	747,615.00			\$ 747,615.00			
2007-07	Various Capital Improvements	38,000.00			38,000.00			
2008-17	Various Capital Improvements	507,632.00		231,028.00			\$ 250,000.00	488,660.00
2009-13								
2010-2	Improvements to Township Roads and Drainage	670,178.00	\$ 442,704.00		473,061.00			639,821.00
2009-15	Improvements to Imagination Kingdom Playground		445,000.00			\$ 445,000.00		
2010-12	Improvements to Roads		952,000.00					952,000.00
		<u>\$ 4,036,425.00</u>	<u>\$ 1,839,704.00</u>	<u>931,028.00</u>	<u>\$ 1,258,676.00</u>	<u>\$ 445,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 4,853,481.00</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

TOWNSHIP OF PEMBERTON

WATER UTILITY FUND

Statement of Water Utility Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2009	\$ 656,737.27	\$ 487,320.31
Increased by :		
Water Rents Collected	\$ 1,689,071.59	
Overpaid Rents	14,691.05	
Miscellaneous	46,729.26	
Due to Water Utility - Operating Fund		116,992.39
	<u>1,750,491.90</u>	
	2,407,229.17	<u>604,312.70</u>
Decreased by:		
2010 Budget Appropriations	1,627,649.46	
2009 Appropriation Reserves	67,299.56	
Accrued Interest on Bonds	10,327.25	
Overpaid Rents Refunded	1,008.10	
Due from Water Utility - Operating Fund		\$ 33,888.94
Due from Water Utility - Capital Fund	116,871.73	
Accounts Payable	3,668.00	
Refund of Prior Year Revenue	6,522.96	
Reserve for Lease Purchases		79,600.00
Reserve for Encumbrances Payable		4,247.50
Contracts Payable		<u>8,369.70</u>
	<u>1,833,347.06</u>	<u>126,106.14</u>
Balance December 31, 2010	<u>\$ 573,882.11</u>	<u>\$ 478,206.56</u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Analysis of Water Utility Capital Cash
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Receipts		Disbursements		Transfers From	To	Balance Dec. 31, 2010
		Miscellaneous	Improvement Authorizations	Improvement Authorizations	Miscellaneous			
Fund Balance	\$							\$
Capital Improvement Fund	1.00							1.00
Contracts Payable	7.00							7.00
Encumbrances Payable	94,937.49				\$ 8,369.70	\$ 5,858.00		80,709.79
	4,640.00				4,247.50	392.50	\$ 450.00	450.00
Improvement Authorizations:								
3-90; 18-91 Drilling of Well #11, Construction of Water Storage Facility & Installation of Various Mains and Other Pipes	3,431.00							3,431.00
18-92 Rehabilitation of Municipal Water System, Acquisition of Pipes , Water Mains and Related Materials	(108,402.00)							(108,402.00)
25-96 Construction of Two New Municipal Water Wells and Renovations to Water Storage Tank	199.21							199.21
17-04 Redevelopment of Certain Wells	13,736.00							13,736.00
Reserve for Capital Lease Purchases	259,127.85				79,600.00	450.00	6,250.50	185,328.35
Due Water Operating Fund	61,842.76	\$ 116,992.39			33,888.94			144,946.21
Reserve for Payment of Bonds and Leases	157,800.00							157,800.00
	\$ 487,320.31	\$ 116,992.39	\$ -	\$ -	\$ 126,106.14	\$ 6,700.50	\$ 6,700.50	\$ 478,206.56

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 510,343.93
Increased by:		
Water Rents Levied		<u>1,704,540.01</u>
		2,214,883.94
Decreased by:		
Collections	\$ 1,689,071.59	
Overpayments Applied	<u>12,620.68</u>	
		<u>1,701,692.27</u>
Balance December 31, 2010		<u><u>\$ 513,191.67</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Schedule of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2010

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2009 & 2010</u>
3-1990; 18-1991	Drilling of Well #11, Construction of Water Storage Facility and Installation of Various Mains and Other Pipes	12/19/1991	\$ 1,578,000.00	\$ 3,431.00
18-1992	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	12/7/1992	1,155,000.00	1,155,000.00
25-1996	Construction of Two New Municipal Water Wells and Renovations to an Existing Water Storage Tank	11/1/1996	1,268,000.00	1,268,000.00
12-2003	Replacement of Water Lines, Redevelopment of Wells and Replacement of Meters	5/1/2003	337,000.00	337,000.00
12-2004	Security Improvements/Vehicles - Lease	6/17/2004	624,272.00	144,422.00
8-2005	Improvements to Water System	8/31/2005	2,074,213.00	2,074,213.00
17-2004	Redevelopment of Certail Wells	7/15/2004	150,000.00	<u>150,000.00</u>
				<u><u>\$ 5,132,066.00</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	Balance December 31, 2009		Paid &	Balance
	<u>Encumbered</u>	<u>Reserved</u>	<u>Charged</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 7,328.05	\$ 7,328.05	
Other Expenses	\$ 50,325.15	40,118.55	44,619.01	\$ 45,824.69
Capital Improvements:				
Capital Outlay	27,230.00	334,540.15	100,735.00	261,035.15
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)		3,516.23		3,516.23
Unemployment Compensation Insurance		100.00	100.00	
	<u>\$ 77,555.15</u>	<u>\$ 385,602.98</u>	<u>\$ 152,782.06</u>	<u>\$ 310,376.07</u>
		Cash Disbursed	\$ 67,299.56	
		Paid by Water Capital Fund	32,270.00	
		Encumbrance Payable	53,212.50	
			<u>\$ 152,782.06</u>	

Exhibit SD-6

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Water Rent Overpayments
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 12,620.68
Increased by:	
Cash Received	<u>14,691.05</u>
	27,311.73
Decreased by:	
Overpayments Applied	\$ 12,620.68
Refunds	<u>1,008.10</u>
	<u>13,628.78</u>
Balance December 31, 2010	<u>\$ 13,682.95</u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Interest on Bonds and Notes and Analysis of Balance
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 1,725.90
Increased by:	
Budget Appropriation:	
Interest on Bonds and Notes	9,483.28
	<u>11,209.18</u>
Decreased by:	
Disbursed	10,327.25
	<u>10,327.25</u>
Balance December 31, 2010	<u><u>\$ 881.93</u></u>

Analysis of Balance

	<u>Outstanding</u> <u>Dec. 31, 2010</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds:						
	\$ 104,500.00	5.050%	11/1/2010	12/31/2010	61 Days	<u><u>\$ 881.93</u></u>

Exhibit SD-8

WATER UTILITY FUND
Water Utility Operating Fund
Statement of Accounts Payable
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 25,833.41
Decreased by:	
Cash Disbursed	\$ 3,668.00
Canceled	<u>13,310.88</u>
	<u>16,978.88</u>
Balance December 31, 2010	<u><u>\$ 8,854.53</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Improvement Authorizations
For the Year Ended December 31, 2010

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2009 & 2010 Funded</u>
3-1990; 18-1991	Drilling of Well #11, Construction of Water Storage Facility and Installation of Various Mains and Other Pipes	12/19/91	\$ 1,578,000.00	\$ 3,431.00
18-1992	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Material	12/7/92	1,155,000.00	981.00
25-1996	Construction of Two New Municipal Water Wells and Renovations to Water Storage Tank	11/1/96	1,268,000.00	199.21
17-2004	Redevelopemnt of Certain Wells	7/15/04	150,000.00	<u>13,736.00</u>
				<u>\$ 18,347.21</u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Reserve for Capital Lease Purchases
 For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 259,127.85
Increased by:		
Contracts Payable Canceled	\$ 5,858.00	
Encumbrance Payable Canceled	<u>392.50</u>	
		<u>6,250.50</u>
		265,378.35
Decreased by:		
Lease Expenses:		
Cash Disbursed	79,600.00	
Encumbrance Payable	<u>450.00</u>	
		<u>80,050.00</u>
Balance December 31, 2010		<u><u>\$ 185,328.35</u></u>

Exhibit SD-11

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Contracts Payable
 For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 94,937.49
Decreased by:		
Cash Disbursements	\$ 8,369.70	
Canceled	<u>5,858.00</u>	
		<u>14,227.70</u>
Balance December 31, 2010		<u><u>\$ 80,709.79</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Encumbrances Payable
 For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 4,640.00
Increased by:	
2010 Encumbrance Payable	<u>450.00</u>
	5,090.00
Decreased by:	
Cash Disbursed	\$ 4,247.50
Canceled	<u>392.50</u>
	<u>4,640.00</u>
Balance December 31, 2010	<u><u>\$ 450.00</u></u>

Exhibit SD-13

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 7,258,892.50
Increased by:	
Paid by Operating Budget:	
Bonds	\$ 100,000.00
Capital Lease	<u>111,816.00</u>
	<u>211,816.00</u>
Balance December 31, 2010	<u><u>\$ 7,470,708.50</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Water Utility Serial Bonds
 For the Year Ended December 31, 2010

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>December 31, 2010</u>	<u>Amount</u>				
Improvements to Water System	11/1/1996	\$ 1,004,500.00	11/1/2011	\$ 104,500.00		5.05%	\$ 204,500.00	\$ 100,000.00	\$ 104,500.00

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Water Utility Capital Lease Payable
For the Year Ended December 31, 2010

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Outstanding December 31, 2010 Amount</u>				
Security Improvements and Acquisition of Equipment	7/29/2004	\$ 624,272.00	8/15/2011	\$ 30,976.00	3.250%			
			8/15/2012	32,384.00	3.500%			
			8/15/2013	32,912.00	4.000%			
			8/15/2014	35,552.00	4.000%			
			8/15/2015	27,104.00	4.000%			
			8/15/2016	27,456.00	4.000%			
			8/15/2017	29,568.00	4.000%			
			8/15/2018	30,624.00	4.125%			
			8/15/2019	31,328.00	4.250%			
			8/15/2020	33,440.00	4.375%			
			8/15/2021	33,968.00	4.625%			
			8/15/2022	36,080.00	4.625%			
			8/15/2023	38,016.00	4.625%			
			8/15/2024	38,896.00	4.625%	\$ 488,400.00	\$ 30,096.00	\$ 458,304.00

(Continued)

TOWNSHIP OF PEMBERTON**WATER UTILITY FUND****Water Utility Capital Fund****Statement of Water Utility Capital Lease Payable**

For the Year Ended December 31, 2010

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Outstanding December 31, 2010</u>	<u>Amount</u>				
Improvements to Water System	8/31/2005	\$2,074,213.00	8/15/2011	\$ 85,125.00		4.000%			
			8/15/2012	87,962.50		4.000%			
			8/15/2013	91,935.00		4.000%			
			8/15/2014	95,340.00		4.000%			
			8/15/2015	99,312.50		4.000%			
			8/15/2016	103,285.00		4.000%			
			8/15/2017	107,257.50		4.000%			
			8/15/2018	111,797.50		4.000%			
			8/15/2019	116,337.50		4.000%			
			8/15/2020	120,877.50		4.000%			
			8/15/2021	124,850.50		4.000%			
			8/15/2022	130,525.00		4.125%			
			8/15/2023	136,200.00		4.200%			
			8/15/2024	141,875.00		4.250%			
			8/15/2025	147,550.00		4.250%			
							\$ 1,781,950.50	\$ 81,720.00	\$ 1,700,230.50
							<u>\$ 2,270,350.50</u>	<u>\$ 111,816.00</u>	<u>\$ 2,158,534.50</u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Water Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2010

Ordinance		Balance
		Dec. 31,
<u>Number</u>	<u>Improvement Description</u>	<u>2009 & 2010</u>
18-1992	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	<u>\$ 109,383.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Sewer Utility Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Operating</u>	
Balance December 31, 2009		\$ 95,656.41
Increased by Receipts:		
Lease Agreement - Pemberton Township MUA	\$ 575,640.00	
Interest on Investments	<u>471.44</u>	
		<u>576,111.44</u>
		671,767.85
Decreased by Disbursements:		
Current Fund - Utility Surplus Realized as Revenue	50,000.00	
2010 Appropriations - Debt Service:		
Bond Principal	348,094.00	
Accrued Interest on Bonds	<u>227,546.00</u>	
		<u>625,640.00</u>
Balance December 31, 2010		<u><u>\$ 46,127.85</u></u>

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Sewer Utility Operating Fund
Statement of Interest on Bonds and Analysis of Balance
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 20,966.43
Increased by:	
Budget Appropriation:	
Interest on Bonds	<u>225,972.42</u>
	246,938.85
Decreased by:	
Disbursements	<u>227,546.00</u>
Balance December 31, 2010	<u><u>\$ 19,392.85</u></u>

Analysis of Accrued Interest December 31, 2010

	<u>Principal Outstanding Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds:						
	\$4,289,934.00	5.000%	11/28/2010	12/31/2010	33 Days	<u><u>\$ 19,392.85</u></u>

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Sewer Utility Capital Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 7,001,012.00
Increased by:	
Bonds Paid by Operating Budget	<u>348,094.00</u>
Balance December 31, 2010	<u><u>\$ 7,349,106.00</u></u>

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
 Sewer Utility Capital Fund
 Statement of Sewer Utility Bonds Payable
 For the Year Ended December 31, 2010

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Outstanding</u>					
			<u>Date</u>	<u>Amount</u>				
Acquisition of the Pemberton Township MUA & Improvements to the Sewer System	5/29/1980	\$ 9,750,000.00	2/28/2011	\$ 179,690.00				
			11/28/2011	184,219.00				
			5/28/2012	188,863.00				
			11/28/2012	193,623.00				
			2/28/2013	198,503.00				
			11/28/2013	203,507.00				
			5/28/2014	208,636.00				
			11/28/2014	213,895.00				
			2/28/2015	219,286.00				
			11/28/2015	224,814.00				
			5/28/2016	230,480.00				
			11/28/2016	236,290.00				
			2/28/2017	242,245.00				
			11/28/2017	248,352.00				
			2/28/2018	254,612.00				
			11/28/2018	261,030.00				
			5/28/2019	267,609.00				
			11/28/2019	274,354.00				
			5/28/2020	259,926.00				
				5.00%	\$ 4,638,028.00	\$ 348,094.00	\$ 4,289,934.00	

SUPPLEMENTAL EXHIBITS

PUBLIC ASSISTANCE FUND

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE TRUST FUND
Statement of Public Assistance Trust Fund Cash - Treasurer
For the Year Ended December 31, 2010

	<u>P.A.T.F. II</u>
Balance December 31, 2009	\$ 14,843.62
Increased by:	
Interest Earned	<u>184.65</u>
	15,028.27
Decreased by:	
Interest Disbursed to Current Fund - Realized as Miscellaneous Revenue	<u>184.65</u>
Balance December 31, 2010	<u><u>\$ 14,843.62</u></u>

TOWNSHIP OF PEMBERTON
PART II
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Honorable Mayor and
Members of the Township Council
Township 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 OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the Township's major state programs for the year ended December 31, 2010. The Township's major state program is 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 federal and 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 04-04-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 04-04-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 federal or 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 compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended December 31, 2010.

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 federal and 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 its major state program to determine the 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 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of 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

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 26, 2011

TOWNSHIP OF PEMBERTON
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

State Grantor/ Program Title	State	Program	Matching	Grant Period	
	GMIS Number	or Award Amount		Contribution	From
<u>State Department of Environmental Protection</u>					
Clean Communities Program	4900-765-042-4900-002	\$ 60,099.55	N/A	1/1/2010	12/31/2010
Clean Communities Program	4900-765-042-4900-002	57,733.92	N/A	1/1/2009	12/31/2009
Clean Communities Program	4900-765-042-4900-003	Not Available	N/A	N/A	N/A
Green Acres Preservation Grant	4800-533-042-4800-003	890,000.00	N/A	1/1/2009	12/31/2009
Municipal Stormwater Grant	4840-100-042-4840-091	Not Available	N/A	N/A	N/A
Lebanon Forest Dam Rehabilitation	Unavailable	Not Available	N/A	N/A	N/A
Recycling Tonnage Grant	4900-752-042-4900-003	37,966.59	N/A	1/1/2010	12/31/2010
Recycling Tonnage Grant	4900-752-042-4900-003	31,646.01	N/A	1/1/2009	12/31/2009
Recycling Tonnage Grant	4900-752-042-4900-004	Not Available	N/A	N/A	N/A
<u>State Department of Community Affairs</u>					
Urban Enterprise Zone Grants	Unavailable	150,000.00	N/A	1/1/2010	12/31/2010
Urban Enterprise Zone Grants	Unavailable	154,895.00	N/A	1/1/2009	12/31/2009
Urban Enterprise Zone Grants	Unavailable	Not Available	N/A	N/A	N/A
Special Legislative Recreation Grant	Unavailable	Not Available	N/A	N/A	N/A
Downtown Revitalization Grant	Unavailable	Not Available	N/A	N/A	N/A
Downtown Revitalization Grant	Unavailable	Not Available	N/A	N/A	N/A
<u>State Department Agriculture</u>					
Gypsy Moth Grant	Unavailable	8,309.22	N/A	1/1/2009	12/31/2009
<u>State Department of Human Services</u>					
Municipal Drug Alliance (TAG) Grant	Unavailable	21,000.00	5,250.00	1/1/2010	12/31/2010
Municipal Drug Alliance (TAG) Grant	Unavailable	16,000.00	4,000.00	1/1/2009	12/31/2009
Municipal Drug Alliance (TAG) Grant	Unavailable	Not Available	N/A	N/A	N/A
Division of Public Welfare - General Assistance Program	Unavailable	Not Available	N/A	N/A	N/A
<u>State Department of Law and Public Safety</u>					
Over the Limit, Under Arrest Grant	Unavailable	4,400.00	N/A	1/1/2010	12/31/2010
Over the Limit, Under Arrest Grant	Unavailable	5,850.00	N/A	1/1/2009	12/31/2009
Over the Limit, Under Arrest Grant	Unavailable	Not Available	N/A	N/A	N/A
N.J. State Police - Exercise Equipment	Unavailable	10,000.00	N/A	N/A	N/A
Emergency Management Grant	Unavailable	Not Available	N/A	N/A	N/A
Body Armor Replacement Grant	1020-718-066-001-6120	Not Available	N/A	N/A	N/A
Drunk Driving Enforcement Grant	100-078-6400-XXX	33,629.66	N/A	N/A	N/A
Volunteer Fire Assistance Grant	Unavailable	Not Available	N/A	N/A	N/A
Safe and Secure Communities Program	100-066-1020-107-090940	28,993.50	N/A	1/1/2009	12/31/2009

Total State Financial Assistance

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

<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Receipts</u> <u>or Revenue</u> <u>Recognized</u>	<u>Expenditures</u>	<u>Adjustments</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Memo</u> <u>Cash</u> <u>Receipts</u>	<u>Cumulative</u> <u>Expenditures</u>
	\$ 60,099.55			\$ 60,099.55	\$ 60,099.55	
\$ 57,733.92				57,733.92		
15,330.99		\$ 7,045.76		8,285.23		\$ 51,612.13
283,867.22		261,092.69		22,774.53		867,225.47
14,814.63		2,260.80		12,553.83		7,079.67
323,854.00				323,854.00		
	37,966.59			37,966.59	37,966.59	
31,646.01		16,477.34		15,168.67		16,477.34
5,693.91		5,693.91				17,079.16
732,940.68	98,066.14	292,570.50	\$ -	538,436.32	98,066.14	959,473.77
	150,000.00	91,134.00		58,866.00		91,134.00
154,895.00		64,986.00		154,895.00		
233,529.19		3,120.65		168,543.19	230,271.23	148,048.81
3,120.65		10,469.50		17,930.50	13,442.93	7,800.91
	28,400.00	1,375.00				10,469.50
1,375.00						16,803.81
392,919.84	178,400.00	171,085.15	-	400,234.69	243,714.16	274,257.03
8,309.22				8,309.22		-
	26,250.00	17,919.70	(1,516.91)	26,250.00		
20,000.00			(5,945.66)	563.39	7,213.30	17,919.70
5,945.66						14,809.97
14,843.62				14,843.62		-
40,789.28	26,250.00	17,919.70	(7,462.57)	41,657.01	7,213.30	32,729.67
	4,400.00	760.00	(3,640.00)		4,400.00	760.00
5,850.00		5,850.00				5,850.00
3,640.00		3,640.00				3,640.00
5,952.25		5,539.55		412.70		9,587.30
2,749.00			(2,749.00)			
3,604.79	6,886.10	8,599.07		1,891.82	6,886.10	17,739.63
	33,629.66	5,547.61		28,082.05	33,629.66	5,547.61
	4,583.00			4,583.00	4,583.00	
84,385.50	60,000.00		(55,392.00)	88,993.50	28,993.50	
106,181.54	109,498.76	29,936.23	(61,781.00)	123,963.07	78,492.26	43,124.54
\$ 1,281,140.56	\$ 412,214.90	\$ 511,511.58	\$ (69,243.57)	\$ 1,112,600.31	\$ 427,485.86	\$ 1,309,585.01

TOWNSHIP OF PEMBERTON
Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2010

Note 1: **GENERAL**

The accompanying schedule of expenditures of state financial assistance presents 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 is 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:

<u>Fund</u>	<u>State Expenditures</u>
Federal and State Grant Fund	\$ 250,418.89
General Capital Fund	<u>261,092.69</u>
	<u>\$ 511,511.58</u>

Note 4: **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 III

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2010

Financial Statements

Not Applicable

Name of Federal Program or Cluster

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

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:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
4800-533-042-4800-003	Green Acres - Garden State Preservation Grant
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to determine Type A programs _____ \$300,000.00 _____

Auditee qualified as low-risk auditee? _____ yes X no _____ n/a

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2010-1

Criteria or Specific Requirement

N.J.A.C. 5:30-5.7 requires the maintenance of a general ledger accounting record. This record summarizes all account balances of the Township. It should be reconciled monthly to subsidiary control records.

Condition

The Township's general ledger accounting record was not reconciled monthly with other subsidiary records as required by N.J.A.C. 5:30-5.7.

Context

The general ledger was not reconciled monthly by the finance office to subsidiary records maintained by the Township. At year end, general ledger entries were recorded by a consultant to balance the ledger to several subsidiary records.

Effect

Complete and accurate accounting records are essential to the Township. By not reconciling the general ledger monthly to subsidiary records, proper accounting of the Township's finances may not be achieved.

Cause

The Township was without a certified finance officer for the later part of 2010.

Recommendation

That all Township general ledger account balances be reconciled monthly to subsidiary records as required by N.J.A.C. 5:30-5.7.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

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

Finding No. 2010-2

Criteria or Specific Requirement

An important element of good internal control is the prompt, accurate reconciling of an entity's bank accounts with other accounting records.

Condition

The Township's cash reconciliations for the current fund and payroll accounts were not reconciled to accounting records generated by the computer software programs utilized by the finance office.

Context

There were no procedures in place to reconcile accounting records generated by the finance office to the receipts and disbursements used to reconcile the current fund bank account. An important element to the payroll account reconciliation is a determination of payroll deductions payable. The Township has unidentified funds in their payroll account.

Effect

The Township would not know if its accounting records properly account for cash and payroll transactions. Additionally, the payroll account may have funds deposited that are not necessary.

Cause

Excel spreadsheets are used to reconcile the current fund and payroll accounts. Receipts and disbursements that reconcile the accounts, however, were not reconciled to other accounting records.

Recommendation

That the Township's cash reconciliations for the current fund and payroll accounts be reconciled to accounting records generated by the computer software programs utilized by the finance office.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

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

Finding No. 2010-3

Criteria or Specific Requirement

The collection of accounts receivable is an important element of the revenue accounting cycle.

Condition

The Township's municipal court has a large amount of time payments that have been outstanding for over one year.

Context

Time payments are an acceptable method of payment granted by a judge. Over the years a significant number of time payers have stopped making payments and the court has been unable to locate these individuals.

Effect

The Township is not realizing the full amount of revenue from its municipal court and may have difficulty collecting these funds.

Cause

Unknown

Recommendation

That all delinquent time payments be investigated and appropriate steps be taken to collect or cancel these balances.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

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

Finding No. 2010-4

Criteria or Specific Requirement

N.J.A.C. 5:23-4.17 requires the construction code official to file a report detailing the receipts and expenditures of the construction code office and indicating recommendations for a fee schedule.

Condition

The Township did not file the annual construction code official report as required by N.J.A.C. 5:23-4.17.

Context

Municipalities are required to file annually a construction code official report that details receipts and expenditures of the construction code office. In addition, fee schedule recommendations, based on operating expenses should be submitted.

Effect

The Township did not comply with the requirements of N.J.A.C. 5:23-4.17.

Cause

The Township construction code official was no longer employed at the time the report should have been filed.

Recommendation

That the Township comply with N.J.A.C. 5:23-4.17 requirements by filing its annual construction code official report by February 10th.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

Not Applicable

TOWNSHIP OF PEMBERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

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

This section identifies the significant deficiencies, 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 04-04-OMB.

N/A - 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 and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2009-1

Condition

The Township's general ledger accounting record was not properly maintained and reconciled monthly with other subsidiary records as required by N.J.A.C. 5:30-5.7.

Current Status

The condition continues to exist. See Finding No. 2010-1.

Finding No. 2009-2

Condition

The Township did not properly reconcile its payroll bank account.

Current Status

The condition continues to exist. See Finding No. 2010-2.

Finding No. 2009-3

Condition

The Township's municipal court has a large amount of time payments that have been outstanding for over one year.

Current Status

The condition continues to exist. See Finding No. 2010-3.

FEDERAL AWARDS

N/A - None

STATE FINANCIAL ASSISTANCE PROGRAMS

N/A - None

TOWNSHIP OF PEMBERTON
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
David A. Patriarca	Mayor	(A)
Sherry Scull	Council President	(A)
Kenneth Cartier	Councilmember	(A)
Richard Prickett	Councilmember	(A)
Diane P. Stinney	Councilmember	(A)
Jason Allen	Councilmember	(A)
Christopher J. Vaz	Business Administrator	(A)
Linda Eden	Chief Financial Officer to Sept. 1, 2010	\$1,000,000
Mary Ann Finlay	Township Clerk & Improvement & Search Office	\$1,000,000
Michele Adams	Tax Collector, Tax Search Officer, Utility Rent Collector and Acting CFO from Oct. 6, 2010	\$1,000,000
Andrew Bayer, Esquire	Solicitor	
Chris R. Rehmann	Engineer	

(A) Covered by policies of the New Jersey Municipal Self Insurer's Joint Insurance Fund and the New Jersey Municipal Excess Liability Joint Insurance Fund for up to \$1,000,000 with a deductible of \$1,000.00.

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

A handwritten signature in black ink, appearing to read "Kirk N. Applegate". The signature is written in a cursive, flowing style.

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

