

REVISED 10/17/2013

TOWNSHIP OF PEMBERTON

COUNTY OF BURLINGTON

REPORT OF AUDIT

FOR THE YEAR 2012



TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART 1</u>	
	Independent Auditor's Report	2
	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	5
	<u>CURRENT FUND</u>	
A	Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	9
A-2	Statement of Revenues - Regulatory Basis	11
A-3	Statement of Expenditures - Regulatory Basis	14
	<u>TRUST FUND</u>	
B	Statement of Assets, Liabilities and Reserves - Regulatory Basis	21
	<u>GENERAL CAPITAL FUND</u>	
C	Statement of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis	23
C-1	Statement of Fund Balance - Regulatory Basis	24
	<u>WATER UTILITY FUND</u>	
D	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	25
D-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	27
D-2	Statement of Revenues - Regulatory Basis	28
D-3	Statement of Expenditures - Regulatory Basis	29
	<u>SEWER UTILITY FUND</u>	
E	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	30
E-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	31
E-2	Statement of Revenues - Regulatory Basis	32
E-3	Statement of Expenditures - Regulatory Basis	33
	<u>PUBLIC ASSISTANCE TRUST FUND</u>	
F	Statements of Assets, Liabilities and Reserves - Regulatory Basis	34
	<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>	
G	Statement of General Fixed Assets - Regulatory Basis	35
	Notes to Financial Statements	36
	<u>SUPPLEMENTAL EXHIBITS</u>	
	<u>CURRENT FUND</u>	
SA-1	Statement of Current Cash - Treasurer	59
SA-2	Statement of Change Funds	61
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	62
SA-4	Statement of Tax Title Liens	63
SA-5	Statement of Property Acquired for Taxes (at Assessed Valuation)	63

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No</u>
 <u>CURRENT FUND (CONT'D)</u>		
SA-6	Statement of Due from State of New Jersey Veterans' and Senior Citizens' Deductions	64
SA-7	Statement of Trash Rents Receivable	65
SA-8	Statement of Trash Liens Receivable	65
SA-9	Statement of Inspection/Maintenance Liens Receivable	66
SA-10	Statement of Revenue Accounts Receivable	67
SA-11	Statement of Appropriation Reserves	68
SA-12	Statement of Accounts Payable	73
SA-13	Statement of Reserve for Revaluation/Tax Map	73
SA-14	Statement of Prepaid Taxes	74
SA-15	Statement of Tax Overpayments	74
SA-16	Statement of Trash Rent Overpayments	75
SA-17	Statement of County Taxes Payable	75
SA-18	Statement of Amount Due to County for Added Taxes	75
SA-19	Statement of Local District School Taxes	76
SA-20	Statement of Due to State of New Jersey - Marriage License Fees	76
SA-21	Federal and State Grant Fund - Statement of Federal and State Grants Receivable	77
SA-22	Federal and State Grant Fund - Statement of Reserve for Federal and State Grants - Unappropriated	78
SA-23	Federal and State Grant Fund - Statement of Reserves for Federal and State Grants - Appropriated	79
 <u>TRUST FUND</u>		
SB-1	Trust Other Fund - Statement of Trust Cash - Treasurer	81
SB-2	Trust - Animal Control Fund - Statement of Reserve for Animal Control Fund Expenditures	83
SB-3	Trust - Animal Control Fund - Statement of Due State of New Jersey - Dog License Registration Fees	83
SB-4	Trust Other Fund - Statement of Due from Current Fund	84
SB-5	Trust Other Fund - Statement of Due to the State of New Jersey - D.C.A. Training Fees	85
SB-6	Trust Other Fund - Statement of Reserve for Uniform Construction Code	85
SB-7	Trust Other Fund - Statement of Due to Third Party Inspections	85
SB-8	Trust Other Fund - Statement of Reserve for Special Law Enforcement	86
SB-9	Trust Other Fund - Statement of Reserve for Payroll Deductions Payable	86
SB-10	Trust Other Fund - Statement of Reserve for Parking Offense Adjudication Act	87
SB-11	Trust Other Fund - Statement of Reserve of Compensated Absences	87
SB-12	Trust Other Fund - Statement of Reserve for Flexible Spending	87
SB-13	Trust Other Fund - Statement of Reserve for Self Insurance Claims	88
SB-14	Trust Other Fund - Statement of Reserve for Employee Health Care Insurance	88
SB-15	Trust Other Fund - Statement of Reserve for NJ Unemployment Compensation	89
SB-16	Trust Other Fund - Statement of Reserve for Urban Enterprise Zone	89
SB-17	Trust Other Fund - Statement of Reserve for Browns Mill Dental	90
SB-18	Trust Other Fund - Statement of Reserve for RCA Trust Funds	90
SB-19	Trust Other Fund - Statement of Reserve for Public Defender Fees	91
SB-20	Trust Other Fund - Statement of Reserve for Recreation Contributions	91
SB-21	Trust Other Fund - Statement of Reserve for Escrow Deposits	92

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No</u>
 <u>TRUST FUND (CONT'D)</u>		
SB-22	Trust Other Fund - Statement of Reserve for Municipal Court Escrows	92
SB-23	Trust Other Fund - Statement of Reserve for Tax Sale Premiums	93
SB-24	Trust Other Fund - Statement of Reserve for Redemption of Tax Title Liens	93
SB-25	Trust Other Fund - Statement of Reserve for Affordable Housing	94
SB-26	Trust Other Fund - Statement of Reserve for Municipal Drug Alliance	94
SB-27	Trust Other Fund - Statement of Reserve for Pemberton Farm Association	95
SB-28	Trust Other Fund - Statement of Reserve for FIA/NJB Builders -- Presidential Lakes	95
SB-29	Trust Other Fund - Statement of Reserve for Off Duty Police	96
SB-30	Trust Other Fund - Statement of Reserve for Grading Escrow	96
 <u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash and Investment - Treasurer	98
SC-2	Analysis of General Capital Cash and Investments	99
SC-3	Statement of Deferred Charges to Future Taxation - Funded	101
SC-4	Schedule of Deferred Charges to Future Taxation - Unfunded	102
SC-5	Statement of Capital Improvement Fund	103
SC-6	Statement of Reserve for Payment of Debt	104
SC-7	Statement of Improvement Authorizations	105
SC-8	Statement of Reserve for Capital Lease Purchases	107
SC-9	Statement of Reserve for Encumbrances	107
SC-10	Statement of Bond Anticipation Notes	108
SC-11	Statement of General Serial Bonds	109
SC-12	Statement of Green Acres Loans Payable	110
SC-13	Statement of Environmental Infrastructure Loan Payable	113
SC-14	Statement of General Capital Lease Payable	114
SC-15	Statement of Department of Environmental Protection Loan Payable	115
SC-16	Statement of Bonds and Notes Authorized But Not Issued	117
 <u>WATER UTILITY FUND</u>		
SD-1	Statement of Water Utility Cash - Treasurer	119
SD-2	Water Utility Capital Fund - Analysis of Water Utility Capital Cash	120
SD-3	Water Utility Operating Fund - Statement of Consumer Accounts Receivable	121
SD-4	Water Utility Operating Fund - Statement of Water Utility Liens	121
SD-5	Water Utility Capital Fund -- Statement of Fixed Capital Authorized And Uncompleted	122
SD-6	Water Utility Operating Fund - Statement of Appropriation Reserves	123
SD-7	Water Utility Operating Fund - Statement of Water Rent Overpayments	123
SD-8	Water Utility Operating Fund - Statement of Interest on Bonds and Notes and Analysis of Balance	124
SD-9	Water Utility Operating Fund - Statement of Accounts Payable	124
SD-10	Water Utility Capital Fund - Statement of Improvement Authorizations	125

TOWNSHIP OF PEMBERTON
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No</u>
	<u>WATER UTILITY FUND (CONT'D)</u>	
SD-11	Water Utility Capital Fund - Statement of Encumbrances Payable	126
SD-12	Water Utility Capital Fund - Statement of Reserve for Amortization	126
SD-13	Water Utility Capital Fund - Statement of Water Utility - New Jersey Environmental Infrastructure Trust Loans Payable	127
SD-14	Water Utility Capital Fund - Statement of Water Utility Capital Lease Payable	131
SD-15	Water Utility Capital Fund - Statement of Water Bonds and Notes Authorized But Not Issued	132
	<u>SEWER UTILITY FUND</u>	
SE-1	Statement of Sewer Utility Cash - Treasurer	134
SE-2	Sewer Utility Operating Fund - Statement of Interest on Bonds and Analysis of Balance	135
SE-3	Sewer Utility Capital Fund - Statement of Reserve for Amortization	136
SE-4	Sewer Utility Capital Fund - Statement of Sewer Utility Bonds Payable	137
	<u>PUBLIC ASSISTANCE FUND</u>	
SF-1	Statement of Public Assistance Trust Fund Cash - Treasurer	139
	<u>PART 2</u>	
	Schedule of Findings and Recommendations	141
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	142
	<u>OFFICIALS IN OFFICE AND SURETY BONDS</u>	143
	<u>APPRECIATION</u>	144

TOWNSHIP OF PEMBERTON

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2012 and 2011, 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, 2012 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2012 and 2011, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of December 31, 2012 and 2011, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2012 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 20, 2013 on our consideration of the Township of Pemberton's, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Pemberton's internal control over financial reporting.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

K.N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
May 20, 2013

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Pemberton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 20, 2013. That report indicated that the Township of Pemberton's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Pemberton's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Township of Pemberton's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify one deficiency in internal control, described as Finding No. 2012-1 in the accompanying Schedule of Findings and Recommendations that we consider to be a significant deficiency.

Compliance and Other Matters

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

The Township of Pemberton's Response to Findings

The Township of Pemberton's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Recommendations. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.


Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
May 20, 2013

**TOWNSHIP OF PEMBERTON
CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 4,019,861.73	\$ 4,378,176.88
Cash--Change Funds	SA-2	850.00	850.00
Petty Cash	A	400.00	400.00
Due from State- Senior & Veterans Deductions	SA-6	67,655.32	70,508.19
		<u>4,088,767.05</u>	<u>4,449,935.07</u>
Receivables and Other Assets with			
Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	998,331.35	1,213,718.66
Tax Title Liens Receivable	SA-4	1,362,050.92	1,297,228.48
Property Acquired for Taxes - Assessed			
Valuation	SA-5	23,720,850.00	23,281,850.00
Trash Rents Receivable	SA-7	353,964.02	399,943.47
Trash Liens Receivable	SA-8	4,706.15	8,102.34
Inspection/Maintenance Liens Receivable	SA-9	6,679.47	
Revenue Accounts Receivable	SA-10	17,396.61	14,209.56
		<u>26,463,978.52</u>	<u>26,215,052.51</u>
Deferred Charges to Future Taxation:			
Emergency Appropriation	A-3	115,000.00	-
		<u>30,667,745.57</u>	<u>30,664,987.58</u>
Federal and State Grant Fund:			
Cash	SA-1	738,334.22	603,542.35
Grants Receivable	SA-21	702,386.95	715,449.13
		<u>1,440,721.17</u>	<u>1,318,991.48</u>
		<u>\$ 32,108,466.74</u>	<u>\$ 31,983,979.06</u>

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3; SA-11	\$ 1,157,534.49	\$ 1,735,996.27
Reserve for Encumbrances	A-3; SA-11	213,925.75	
Accounts Payable	SA-12	93,509.30	101,015.46
Reserve for Revaluation/Tax Map Program	SA-13	60,551.75	13,988.00
Cash Deposits- Rental Deposits	A	400.00	400.00
Reserve for Snow Removal	SA-1	122,301.69	46,501.69
Reserve for Police Retro Pay	SA-1		138,479.19
Cash Deposits- Seized Monies	SA-1	5,345.55	857.14
Due to Pemberton Township MUA	SA-1	3,873.01	
Prepaid Taxes	SA-14	271,657.65	285,239.07
Tax Overpayments	SA-15	26,969.01	121,274.59
Trash Rents Overpayments	SA-16	18,419.55	14,303.46
Due County for Added and Omitted Taxes	SA-18	31,778.22	25,223.89
Due to State of New Jersey			
Marriage Licenses	SA-20	700.00	1,025.00
Due to Trust - Other Fund	SB-4	830.31	34,590.87
		<u>2,007,796.28</u>	<u>2,518,894.63</u>
Reserves for Receivables		26,463,978.52	26,215,052.51
Fund Balance	A-1	<u>2,195,970.77</u>	<u>1,931,040.44</u>
		<u>30,667,745.57</u>	<u>30,664,987.58</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants - Appropriated	SA-23	1,122,065.11	1,318,991.48
Reserve for Encumbrances	SA-23	318,656.06	
		<u>1,440,721.17</u>	<u>1,318,991.48</u>
		<u>\$ 32,108,466.74</u>	<u>\$ 31,983,979.06</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, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 1,390,000.00	\$ 1,000,000.00
Miscellaneous Revenues Anticipated	7,789,818.45	8,202,605.60
Receipts from Delinquent Taxes	1,145,805.55	1,199,594.11
Receipts from Current Taxes	29,810,085.46	29,349,410.04
Nonbudget Revenues	317,715.76	361,150.12
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	835,186.50	518,181.35
Cancellation of Federal and State Grants		304,419.06
Cancellation of Escrow Deposits		98,618.83
Cancellation of Tax Overpayments		43,677.63
Cancellation of Accounts Payable	4,127.61	39,289.52
Liquidation of Reserve for Pemberton Library		4,137.00
Liquidation of Reserve for Pemberton First Aid		5,000.00
Liquidation of Reserve for Pemberton M.U.A.		3,749.82
Interfund Reserves Liquidated:		
Due from Trust Other Fund		4,278.51
	<u>41,292,739.33</u>	<u>41,134,111.59</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	9,164,601.00	9,264,247.21
Other Expenses	8,079,214.00	7,510,039.85
Deferred Charges and Statutory Expenditures	2,162,583.00	2,320,005.50
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	60,000.00	52,181.00
Other Expenses	587,571.07	857,644.20
Deferred Charges		20,000.00
Capital Improvements	180,000.00	180,000.00
Municipal Debt Service	2,311,952.93	2,114,540.83
Judgments	67,000.00	50,000.00
County Taxes	5,957,010.32	6,106,563.49
Due County for Added and Omitted Taxes	31,778.22	25,223.89
Local District School Tax	11,145,571.14	11,009,322.17
Cancellation of Due from:		
Pemberton Library		4,137.00
Pemberton First Aid		5,000.00
Pemberton M.U.A.		3,749.82
Cancellation of Grants Receivable	5,527.32	
	<u>39,752,809.00</u>	<u>39,522,654.96</u>
Excess in Revenues (Carried Forward)	<u>1,539,930.33</u>	<u>1,611,456.63</u>

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Statements of Operations and Changes
 in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Excess in Revenues (Brought Forward)	\$ 1,539,930.33	\$ 1,611,456.63
Adjustments to Income Before Fund Balance		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>115,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	1,654,930.33	1,611,456.63
Fund Balance January 1	<u>1,931,040.44</u>	<u>1,319,583.81</u>
	3,585,970.77	2,931,040.44
Decreased by:		
Utilization as Anticipated Revenue	<u>1,390,000.00</u>	<u>1,000,000.00</u>
Fund Balance December 31	<u><u>\$ 2,195,970.77</u></u>	<u><u>\$ 1,931,040.44</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, 2012

	Anticipated <u>Budget</u>	Special <u>N.J.S. 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 1,390,000.00	\$ -	\$ 1,390,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	13,200.00		12,519.00	(681.00)
Other	8,700.00		14,609.64	5,909.64
Fees and Permits				
Other	68,000.00		81,414.15	13,414.15
Fines and Costs:				
Municipal Court				
Interest and Costs on Taxes	281,800.00		273,122.32	(8,677.68)
Interest on Investments and Deposits	225,000.00		274,730.88	49,730.88
Trailer Park Licenses and Fees	50,000.00		12,343.48	(37,656.52)
Cable Television Franchise Fees	77,044.10		69,484.68	(7,559.42)
Trash User Fees	70,800.00		72,353.32	1,553.32
Police Officers in School	1,820,000.00		1,929,216.87	109,216.87
Consolidated Municipal Property Tax Relief Aid	165,000.00		131,342.45	(33,657.55)
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	492,031.00		492,031.00	
Garden State Pilot Trust	2,498,425.00		2,498,425.00	
	27,641.00		27,641.00	
Public and Private Revenues Offset With Appropriations:				
Safe and Secure Communities Program		60,000.00	60,000.00	
Clean Communities Program		56,390.13	56,390.13	
Municipal Alliance on Drug and Alcohol Abuse	26,875.00		26,875.00	
Drunk Driving Enforcement Grant		28,950.04	28,950.04	
Body Armor Replacement Fund		4,878.29	4,878.29	
Department of Transportation-Tensaw Drive		213,700.00	213,700.00	
Recycling Tonnage Grant		33,257.61	33,257.61	
Nesbit Center Park Redevelopment Grant		223,520.00	223,520.00	

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2012

	Anticipated <u>Budget</u>	Special <u>N.J.S. 40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
Other Special Items:				
Reserve for Payment of Debt Service	\$ 353,474.00		\$ 353,474.74	\$ 0.74
Utility Operating Surplus Prior Year	162,000.00		162,000.00	
Payment in Lieu of Taxes - Browns Woods Apartments	124,945.00		134,888.00	9,943.00
Reserve for Off-Duty Police Employment	51,121.24		45,050.85	(6,070.39)
Sale of Municipal Property	207,000.00		207,600.00	600.00
Reserve for Self Insurance - Trust Fund	250,000.00		250,000.00	
Reserve for Urban Enterprise Zone - Trust Fund	100,000.00		100,000.00	
Subtotal General Revenues	<u>7,073,056.34</u>	<u>\$ 620,696.07</u>	<u>7,789,818.45</u>	<u>96,066.04</u>
Receipts from Delinquent Taxes	<u>1,213,718.66</u>	<u>-</u>	<u>1,145,805.55</u>	<u>(67,913.11)</u>
Subtotal General Revenues	9,676,775.00	620,696.07	10,325,624.00	28,152.93
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	<u>13,624,050.93</u>	<u>-</u>	<u>14,099,325.78</u>	<u>475,274.85</u>
Budget Totals	23,300,825.93	620,696.07	24,424,949.78	503,427.78
Nonbudget Revenues	<u>-</u>	<u>-</u>	<u>317,715.76</u>	<u>317,715.76</u>
	<u>\$ 23,300,825.93</u>	<u>\$ 620,696.07</u>	<u>\$ 24,742,665.54</u>	<u>\$ 821,143.54</u>

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2012

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 29,810,085.46
Allocated to:	
School, and County Taxes	17,134,359.68
Balance for Support of Municipal Budget Revenues	12,675,725.78
Add:	
Appropriation: "Reserve for Uncollected Taxes"	1,423,600.00
Amount for Support of Municipal Budget Appropriations	<u>\$ 14,099,325.78</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 1,098,553.58
Tax Title Liens Collections	47,251.97
	<u>\$ 1,145,805.55</u>

Analysis of Miscellaneous Revenues Not Anticipated:

Rental Fees	\$ 12,273.41
BCCAP- Utilities Refund	6,089.29
BCCAP- Rental Ordinance	13,937.59
Summer Programs	18,597.15
Hotel Tax	2,283.09
DMV Inspections Fees	2,850.00
Rental Inspections	13,170.00
Sale of Municipal Assets	52,156.00
Off Duty Vehicle Rentals	662.50
Recreation Rental Program Fees	14,385.60
Senior Citizen and Veterans Administrative Fee	9,415.00
Grading Fees	315.00
Bad Check Charges	840.00
Maintenance Liens	3,840.68
Recyclable Materials	832.60
FEMA Reimbursement	40,826.92
Photocopies	2,366.45
Cancellation of Escrow Deposits (Trust Other Fund)	21,073.68
Interest on Prior Year Delinquent Trash Bills	65,207.28
Miscellaneous Other Receipts	36,593.52
	<u>\$ 317,715.76</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, 2012

	Appropriations		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages:					
Mayor / Business Administration	\$ 236,100.00	\$ 232,300.00	\$ 221,013.12	\$ 11,286.88	
Township Council	27,954.00	27,954.00	27,944.60	9.40	
Township Clerk	172,310.00	165,310.00	132,700.63	32,609.37	
Other Expenses:					
Mayor / Business Administration	14,200.00	14,200.00	11,418.28	2,781.72	
Township Council	4,255.00	4,255.00	3,550.54	704.46	
Township Clerk	35,275.00	37,275.00	30,521.89	6,753.11	
Financial Administration					
Salaries and Wages	261,500.00	258,500.00	251,845.59	6,654.41	
Other Expenses	66,328.00	66,328.00	61,479.02	4,848.98	
Assessment of Taxes					
Salaries and Wages	159,600.00	157,900.00	155,440.15	2,459.85	
Other Expenses	12,625.00	12,625.00	9,933.08	2,691.92	
Collection of Taxes					
Salaries and Wages	235,600.00	233,300.00	225,991.20	7,308.80	
Other Expenses	22,295.00	22,295.00	19,577.87	2,717.13	
Liquidation of Tax Title Liens and Foreclosed Property					
Other Expenses	51,000.00	51,000.00	7,821.32	43,178.68	
Legal Services					
Other Expenses	281,500.00	321,500.00	298,370.66	23,129.34	
Municipal Prosecutor					
Other Expenses	42,000.00	42,000.00	40,599.96	1,400.04	
Engineering Services					
Other Expenses	154,600.00	179,600.00	149,651.45	29,948.55	
Preparation of Tax Maps (Special Emergency, \$115,000.00)		115,000.00	115,000.00		
Audit Services					
Other Expenses	40,000.00	40,000.00	40,000.00		

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONTD)</u>					
<u>GENERAL GOVERNMENT (CONTD)</u>					
Collection of Trash Billing Services					
Salaries and Wages	\$ 62,750.00	\$ 61,650.00	\$ 60,132.40	\$ 1,517.60	
Other Expenses	6,368.00	6,368.00	3,761.36	2,606.64	
<u>LAND USE ADMINISTRATION</u>					
Planning Boards:					
Salaries and Wages	27,361.00	25,732.60	24,863.55	869.05	
Other Expenses	3,500.00	3,500.00	2,949.85	550.15	
Zoning Board					
Salaries and Wages	83,561.00	83,789.40	81,895.55	1,893.85	
Other Expenses	5,000.00	5,000.00	2,479.15	2,520.85	
<u>PUBLIC SAFETY</u>					
Emergency Medical Services					
Salaries and Wages	5,000.00	5,000.00	5,000.00		
Other Expenses	3,100.00	3,100.00	1,221.54	1,878.46	
Aid to Volunteer Fire Companies					
Other Expenses	131,525.00	131,525.00	98,971.31	32,553.69	
Aid to First Aid Organizations					
Other Expenses	53,250.00	53,250.00	42,000.00	11,250.00	
Police					
Salaries and Wages	5,064,200.00	4,993,200.00	4,841,615.60	151,584.40	
Other Expenses	260,210.00	260,210.00	230,828.72	29,381.28	
<u>INSURANCE</u>					
Group Insurance Plans for Employees	2,174,600.00	2,408,500.00	2,408,500.00		
Worker's Compensation Insurance	24,000.00	24,000.00	24,000.00		
Other Insurance Premiums	511,603.00	511,603.00	493,596.05	18,006.95	

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>OPERATIONS WITHIN "CAPS" (CONTD)</u>					
<u>HEALTH AND WELFARE</u>					
Police- Animal Control					
Salaries and Wages	\$ 56,215.00	\$ 54,815.00	\$ 51,714.97	\$ 3,100.03	
Other Expenses	2,350.00	2,350.00	1,024.17	1,325.83	
Domestic Violence Response					
Other Expenses	6,050.00	6,050.00	4,340.00	1,710.00	
Environmental Protection					
Other Expenses	1,000.00	1,000.00		1,000.00	
<u>RECREATION AND EDUCATION</u>					
Recreation					
Salaries and Wages	317,600.00	285,100.00	251,194.90	33,905.10	
Other Expenses	54,330.00	52,330.00	41,668.19	10,661.81	
Senior Services					
Salaries and Wages	161,550.00	161,550.00	143,164.56	18,385.44	
Other Expenses	49,500.00	53,200.00	51,066.43	2,133.57	
<u>ROAD REPAIR AND MAINTENANCE</u>					
Buildings and Grounds					
Salaries and Wages	933,700.00	927,600.00	867,395.58	60,204.42	
Other Expenses	236,000.00	236,000.00	200,442.98	35,557.02	
Fire Hydrant Services					
Other Expenses	10,000.00	10,000.00	8,857.85	1,142.15	
Streets and Roads					
Salaries and Wages	806,800.00	795,300.00	787,072.32	8,227.68	
Other Expenses	265,865.00	245,765.00	181,081.28	64,683.72	
Fleet Management					
Salaries and Wages	249,800.00	255,800.00	246,827.07	8,972.93	
Other Expenses	250,920.00	236,420.00	224,051.16	12,368.84	
Traffic Signals	5,500.00	5,500.00	4,114.28	1,385.72	

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Budget After Modification	Expended		Unexpended Balance Canceled
	Budget			Paid or Charged	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONTD)</u>						
<u>ROAD REPAIR AND MAINTENANCE (CONTD)</u>						
Solid Waste Collection	\$ 965,600.00	\$	965,600.00	\$ 824,370.99	\$ 141,229.01	
Demolition of Buildings						
Other Expenses	15,000.00		15,000.00	350.00	14,650.00	
<u>CODE ENFORCEMENT</u>						
Township Code Enforcement						
Salaries and Wages	143,500.00		143,500.00	133,208.77	10,291.23	
Other Expenses	6,400.00		6,400.00	3,947.03	2,452.97	
<u>MUNICIPAL COURT</u>						
Municipal Court:						
Salaries and Wages	264,300.00		261,300.00	247,242.76	14,057.24	
Other Expenses	21,065.00		21,065.00	18,749.61	2,315.39	
<u>UTILITY EXPENSES AND BULK PURCHASES</u>						
Street Lighting	285,000.00		285,000.00	260,225.13	24,774.87	
Telephone and Telegraph	87,000.00		87,000.00	70,834.07	16,165.93	
Natural Gas	15,000.00		19,800.00	14,269.15	5,530.85	
Postage	55,000.00		50,000.00	35,380.78	14,619.22	
Gasoline	365,000.00		335,000.00	317,465.01	17,534.99	
Electricity	225,000.00		225,000.00	166,127.20	58,872.80	
Fuel Oil	60,000.00		60,000.00	40,902.15	19,097.85	
Water	2,000.00		2,000.00	1,105.08	894.92	
Solid Waste Disposal	840,000.00		840,000.00	783,487.43	56,512.57	
Sewer	5,500.00		5,500.00	5,400.00	100.00	
Accumulated Leave Compensation	35,000.00		35,000.00	35,000.00		
Contingent	100.00		100.00		100.00	
Total Operations Within "CAPS"	17,030,815.00		17,243,815.00	16,146,755.34	1,097,059.66	\$ -

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
OPERATIONS WITHIN "CAPS" (CONT'D)					
Total Operations Including Contingent - within "CAPS"					
Detail:					
Salaries and Wages	\$ 9,304,401.00	\$ 9,164,601.00	\$ 8,791,263.32	\$ 373,337.68	\$ -
Other Expenses	7,726,414.00	8,079,214.00	7,355,492.02	723,721.98	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees Retirement Systems	513,275.00	513,275.00	513,275.00		
Police and Fireman's Retirement System of New Jersey	929,308.00	929,308.00	929,308.00		
Social Security System (O.A.S.I.)	720,000.00	720,000.00	659,525.17	60,474.83	
Unemployment Compensation Insurance	98,000.00				
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	2,260,583.00	2,162,583.00	2,102,108.17	60,474.83	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	19,291,398.00	19,406,398.00	18,248,863.51	1,157,534.49	-
OPERATIONS EXCLUDED FROM "CAPS"					
Public and Private Programs Offset by Revenues:					
Clean Communities (N.J.S.A. 40A:4-87, \$56,390.13+)		56,390.13	56,390.13		
Municipal Drug Alliance Program					
State Share	21,500.00	21,500.00	21,500.00		
Local Match	5,375.00	5,375.00	5,375.00		
Drunk Driving Enforcement Grant (N.J.S.A. 40A:4-87, \$28,950.04+)		28,950.04	28,950.04		
Department of Transportation-Tensaw Drive (N.J.S.A. 40A:4-87, \$213,700.00+)		213,700.00	213,700.00		
Body Armor Replacement Grant (N.J.S.A. 40A:4-87, \$4,878.29+)		4,878.29	4,878.29		
Safe and Secure Communities Program (N.J.S.A. 40A:4-87, \$60,000.00+)		60,000.00	60,000.00		

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>					
Public and Private Programs Offset by Revenues (Cont'd):					
Nesbit Center Park Redevelopment Grant (N.J.S.A. 40A:4-87, \$223,520.00+)		\$ 223,520.00	\$ 223,520.00		
Recycling Tonnage Grant (N.J.S.A. 40A:4-87, \$33,257.61+)		33,257.61	33,257.61		
Total Public and Private Programs Offset by Revenues	\$ 26,875.00	647,571.07	647,571.07	\$ -	\$ -
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	26,875.00	647,571.07	647,571.07	-	-
Detail:					
Salaries and Wages		60,000.00	60,000.00	-	-
Other Expenses	26,875.00	587,571.07	587,571.07	-	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":					
Capital Improvement Fund	180,000.00	180,000.00	180,000.00	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	1,216,280.56	1,216,280.56	1,216,280.56		
Payment of Bond Anticipation Notes and Capital Notes	30,000.00	30,000.00	30,000.00		
Interest on Bonds	581,821.99	581,821.99	581,821.99		
Interest on Notes	34,500.00	34,500.00	34,500.00		
Green Trust Loan Program					
Loan Repayments for Principal and Interest	37,001.28	37,001.28	37,001.28		
Environmental Trust Loan					
Loan Repayments for Principal and Interest	58,874.36	58,874.36	58,874.36		
Capital Lease Obligations					
Principal and Interest	353,474.74	353,474.74	353,474.74		
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	2,311,952.93	2,311,952.93	2,311,952.93	-	-
Judgements	67,000.00	67,000.00	67,000.00	-	-

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 2,585,827.93	\$ 3,206,524.00	\$ 3,206,524.00	\$ -	\$ -
SUBTOTAL GENERAL APPROPRIATIONS	21,877,225.93	22,612,922.00	21,455,387.51	1,157,534.49	-
RESERVE FOR UNCOLLECTED TAXES	1,423,600.00	1,423,600.00	1,423,600.00	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 23,300,825.93	\$ 24,036,522.00	\$ 22,878,987.51	\$ 1,157,534.49	\$ -
Budget		\$ 23,300,825.93			
Special Emergency Appropriations		115,000.00			
Appropriation by N.J.S.A. 40A:4-87		620,696.07			
		\$ 24,036,522.00			
Federal and State Grants - Appropriated			\$ 647,571.07		
Reserve for Preparation of Tax Maps/Revaluation			115,000.00		
Reserve for Encumbrances			213,925.75		
Reserve for Snow Removal			75,800.00		
Reserve for Uncollected Taxes			1,423,600.00		
Disbursed			20,403,090.69		
			\$ 22,878,987.51		

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

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 10,701.02	\$ 25,149.50
Other Funds:			
Cash - Treasurer	SB-1	2,746,907.89	3,891,348.04
Cash - Collector	SB-1	215,800.49	173,187.85
Due from Current Fund	SB-4	830.31	34,590.87
		<u>2,963,538.69</u>	<u>4,099,126.76</u>
		<u>\$ 2,974,239.71</u>	<u>\$ 4,124,276.26</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-2	\$ 10,597.02	\$ 25,071.50
Due to State of New Jersey	SB-3	104.00	78.00
		<u>10,701.02</u>	<u>25,149.50</u>
Other Funds:			
Due to State of New Jersey - DCA Fees	SB-5	14,527.00	4,559.00
Due to Third Party Inspections	SB-7	41,857.20	14,281.40
Due to State of New Jersey - Municipal Court Fees	SB-22		232.00
Reserves for:			
Presidential Lakes Recreations Funds	B	15,000.00	15,000.00
Security Bond Deposits	B	39,000.00	39,000.00
Bid Review Fees - Browns Mills Shops	B	210.00	210.00
Performance Bonds	B	53,337.10	53,337.10
Fire Safety Fund	B	103.82	103.82
Land Use Surety	SB-1	20.00	20.00
Uniform Construction Code	SB-6	89,653.46	179,409.66
Special Law Enforcement Funds	SB-8	22,808.42	30,462.16
Payroll Deductions Payable	SB-9	156,659.30	199,127.47
Parking Offenses Adjudication Act (P.O.A.A.)	SB-10	396.00	352.00
Compensated Absences	SB-11	115,412.57	97,083.28
Flexible Spending	SB-12	4,334.31	
Self Insurance Fund	SB-13	200,134.22	427,118.13
Employee Healthcare Insurance Funds	SB-14	147,062.43	567,135.10
New Jersey Unemployment Compensation	SB-15	91,745.09	112,929.76
Urban Enterprise Zone Fund	SB-16	1,158,908.59	1,257,751.17

(Continued)

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>LIABILITIES AND RESERVES (CONT'D)</u>			
Reserves for:			
Browns Mills Dental	SB-17	\$ 21,027.51	\$ 20,979.45
RCA Trust Funds	SB-18	223,762.88	442,098.09
Public Defender Fees	SB-19	2,127.94	8,208.94
Recreation Contributions Fund	SB-20	95,786.01	84,024.53
Escrow Deposits	SB-21	177,594.06	223,903.05
Municipal Court Escrow	SB-22	9,379.36	8,710.06
Tax Sale Premiums	SB-23	106,949.20	94,474.20
Deposits for Redemption of Tax Title Liens	SB-24	108,851.29	78,743.42
Affordable Housing	SB-25	15,705.30	15,686.76
Municipal Drug Alliance	SB-26	3,382.06	7,593.99
Pemberton Farm Association	SB-27	-	24,961.64
FIA/NJB Builders- Presidential Lakes	SB-28	34,543.87	34,503.04
Off Duty Police Funds	SB-29	6,670.90	51,121.24
Grading Escrow	SB-30	6,588.80	6,006.30
		<u>2,963,538.69</u>	<u>4,099,126.76</u>
		<u>\$ 2,974,239.71</u>	<u>\$ 4,124,276.26</u>

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

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Cash	SC-1	\$ 2,165,351.28	\$ 2,596,789.67
Cash Held by Fiscal Agent	SC-1	189,776.11	661,771.88
Due from Green Acres - Garden State Preservation Grant	SC-2		890,000.00
Deferred Charges to Future Revenues	SC-2	269.57	
Deferred Charges to Future Taxation:			
Funded	SC-3	17,071,551.29	18,704,952.44
Unfunded	SC-4	6,667,574.63	5,478,574.63
		<u>\$ 26,094,522.88</u>	<u>\$ 28,332,088.62</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Due to Water Utility Fund	SC-1		\$ 71,181.06
Capital Improvement Fund	SC-5	\$ 27,245.00	23,245.00
Reserve for Payment of Debt	SC-6	972,924.79	1,041,634.24
Improvement Authorizations:			
Funded	SC-7	1,303,604.39	3,868,184.99
Unfunded	SC-7	3,392,611.09	1,582,090.50
Reserve for Lease Purchases	SC-8	4,778.70	152,111.80
Reserve for Encumbrances Payable	SC-9	806,401.77	388,688.59
Bond Anticipation Note Payable	SC-10	2,470,000.00	2,500,000.00
General Serial Bonds	SC-11	10,724,000.00	11,829,000.00
Green Acres Loan Payable	SC-12	537,085.23	686,428.32
New Jersey Environmental Infrastructure Loan Payable	SC-13	283,926.25	333,050.25
Burlington County Bridge Lease Payable	SC-14	3,012,914.00	3,231,567.50
Department of Environmental Protection Loan Payable	SC-15	2,513,625.81	2,624,906.37
Fund Balance	C-1	45,405.85	
		<u>\$ 26,094,522.88</u>	<u>\$ 28,332,088.62</u>

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

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2012

Premium of Sale of Bond Anticipation Note	\$ 4,199.00
Permanently Funded Improvement Authorizations Canceled	<u>41,206.85</u>
Balance December 31, 2012	<u><u>\$ 45,405.85</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, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 854,447.72	\$ 476,981.87
Due from Water Capital Fund	SD-1	<u>43,517.22</u>	<u>144,950.58</u>
		<u>897,964.94</u>	<u>621,932.45</u>
 Consumer Accounts Receivable	SD-3	520,716.78	593,773.81
Water Liens Receivable	SD-4	<u>6,987.15</u>	<u>4,145.18</u>
		<u>527,703.93</u>	<u>597,918.99</u>
 Total Operating Fund		<u>1,425,668.87</u>	<u>1,219,851.44</u>
 Capital Fund:			
Cash	SD-1	56,260.94	141,877.58
Cash on Hand with Fiscal Agent	SD-1		187,718.74
Due from New Jersey Environmental Infrastructure Trust	SD-2	20,589.00	
Due from General Capital	SD-2		71,181.06
Fixed Capital	D	5,045,460.00	5,045,460.00
Fixed Capital Authorized and Uncompleted	SD-5	<u>5,532,066.00</u>	<u>5,532,066.00</u>
 Total Capital Fund		<u>10,654,375.94</u>	<u>10,978,303.38</u>
		<u>\$ 12,080,044.81</u>	<u>\$ 12,198,154.82</u>

(Continued)

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-3;SD-6	\$ 212,794.32	\$ 66,970.92
Reserve for Encumbrances	D-3;SD-6	34,277.09	106,549.24
Overpaid Rents	SD-7	14,301.69	16,171.29
Accrued Interest on Bonds and Notes	SD-8	639.16	
Accounts Payable	SD-9		16,437.03
		<u>262,012.26</u>	<u>206,128.48</u>
Reserve for Receivables	D	527,703.93	597,918.99
Fund Balance	D-1	<u>635,952.68</u>	<u>415,803.97</u>
Total Operating Fund		<u>1,425,668.87</u>	<u>1,219,851.44</u>
Capital Fund:			
Due to Water Utility Operating Fund	SD-2	43,517.22	144,950.58
Improvement Authorizations			
Funded	SD-10	7,736.00	13,736.00
Unfunded	SD-10		334,766.00
Encumbrances Payable	SD-11	27,431.66	
Reserve for Amortization	SD-12	7,859,491.41	7,691,309.50
New Jersey Environmental Infrastructure Trust Loan Payable	SD-13	230,723.59	
Capital Lease Payable	SD-14	1,922,087.00	2,042,433.50
Reserve for Repayment of Capital Leases	SD-2	157,671.27	345,390.01
Capital Improvement Fund	D	7.00	7.00
Deferred Reserve for Amortization	D	334,400.00	334,400.00
Fund Balance	D	<u>71,310.79</u>	<u>71,310.79</u>
Total Capital Fund		<u>10,654,375.94</u>	<u>10,978,303.38</u>
		<u>\$ 12,080,044.81</u>	<u>\$ 12,198,154.82</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, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:		
Fund Balance Anticipated	\$ 180,000.00	\$ 271,100.00
Rents	1,736,006.05	1,598,310.09
Miscellaneous	40,482.35	40,181.48
Other Credits to Income:		
Reserve for Payment of Bonds and Leases	187,718.74	
Cancellation of Prior Year Encumbrances Payable		16,552.03
Cancellation of Accounts Payable	10,912.03	
Unexpended Balance of Appropriation Reserves	44,959.06	7,843.98
	<u>2,200,078.23</u>	<u>1,933,987.58</u>
Total Income		
	<u>2,200,078.23</u>	<u>1,933,987.58</u>
Operations:		
Operating	1,221,428.00	1,058,359.00
Capital Outlay	160,000.00	157,981.53
Debt Service	204,201.52	313,263.74
Deferred Charges:		
Statutory Expenditures	52,300.00	50,000.00
Transfer to General Fund	162,000.00	162,400.00
Refund of Prior Year Revenue		543.42
	<u>1,799,929.52</u>	<u>1,742,547.69</u>
Total Expenditures		
	<u>1,799,929.52</u>	<u>1,742,547.69</u>
Excess in Revenue	400,148.71	191,439.89
Fund Balance January 1	415,803.97	495,464.08
	<u>815,952.68</u>	<u>686,903.97</u>
Total		
	<u>815,952.68</u>	<u>686,903.97</u>
Decreased by:		
Utilization as Anticipated Revenue	180,000.00	271,100.00
	<u>180,000.00</u>	<u>271,100.00</u>
Fund Balance December 31	<u>\$ 635,952.68</u>	<u>\$ 415,803.97</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, 2012

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 180,000.00	\$ 180,000.00	
Water Rents	1,585,000.00	1,736,006.05	\$ 151,006.05
Miscellaneous	<u>34,929.52</u>	<u>40,482.35</u>	<u>5,552.83</u>
	<u><u>\$ 1,799,929.52</u></u>	<u><u>\$ 1,956,488.40</u></u>	<u><u>\$ 156,558.88</u></u>
Miscellaneous Revenue:			
Cash Received		\$ 36,338.68	
Tax Title Liens Receivable		<u>4,143.67</u>	
		<u><u>\$ 40,482.35</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, 2012

	Appropriations			Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations:						
Salaries and Wages	\$ 526,733.00	\$ 545,833.00	\$ 537,189.72		\$ 8,643.28	
Other Expenses	694,695.00	675,595.00	510,603.00	\$ 16,113.92	148,878.08	
	<u>1,221,428.00</u>	<u>1,221,428.00</u>	<u>1,047,792.72</u>	<u>16,113.92</u>	<u>157,521.36</u>	<u>\$ -</u>
Capital Improvements:						
Capital Outlay	160,000.00	160,000.00	86,563.87	18,163.17	55,272.96	
	<u>160,000.00</u>	<u>160,000.00</u>	<u>86,563.87</u>	<u>18,163.17</u>	<u>55,272.96</u>	<u>-</u>
Debt Service:						
Burlington County Bridge Commission Lease	204,201.52	204,201.52	204,201.52			
	<u>204,201.52</u>	<u>204,201.52</u>	<u>204,201.52</u>			
Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	40,300.00	40,300.00	40,300.00			
Unemployment Compensation Insurance	12,000.00	12,000.00	12,000.00			
	<u>52,300.00</u>	<u>52,300.00</u>	<u>52,300.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures:						
	<u>162,000.00</u>	<u>162,000.00</u>	<u>162,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer to General Fund						
	<u>\$ 1,799,929.52</u>	<u>\$ 1,799,929.52</u>	<u>\$ 1,552,858.11</u>	<u>\$ 34,277.09</u>	<u>\$ 212,794.32</u>	<u>\$ -</u>
Total Water Utility Appropriations						
			<u>\$ 1,535,736.17</u>			
Disbursed			639.16			
Interest on Loans			16,482.78			
Paid by Water Utility Capital Fund			<u>\$ 1,552,858.11</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, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SE-1	\$ 46,327.25	\$ 46,249.04
Capital Fund:			
Fixed Capital	E	<u>11,639,040.00</u>	<u>11,639,040.00</u>
		<u>\$ 11,685,367.25</u>	<u>\$ 11,685,289.04</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Accrued Interest on Bonds	SE-2	<u>\$ 16,018.74</u>	<u>\$ 17,747.78</u>
Fund Balance	E-1	<u>30,308.51</u>	<u>28,501.26</u>
Total Operating Fund		<u>46,327.25</u>	<u>46,249.04</u>
Capital Fund:			
Reserve for Amortization	SE-3	8,095,501.00	7,713,015.00
Sewer Utility Serial Bonds	SE-4	<u>3,543,539.00</u>	<u>3,926,025.00</u>
Total Capital Fund		<u>11,639,040.00</u>	<u>11,639,040.00</u>
		<u>\$ 11,685,367.25</u>	<u>\$ 11,685,289.04</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, 2012 and 2011

Revenue and Other Income Realized	<u>2012</u>	<u>2011</u>
Lease Agreement - Pemberton Township MUA	\$ 575,640.00	\$ 575,640.00
Miscellaneous	<u>78.21</u>	<u>121.19</u>
Total Income	575,718.21	575,761.19
Expenditures		
Budget Appropriations:		
Debt Service	<u>573,910.96</u>	<u>573,994.93</u>
Excess in Revenue	1,807.25	1,766.26
Adjustments to Income Before Fund Balance:		
Surplus (General Fund)	<u>-</u>	<u>-</u>
Statutory Excess Before Fund Balance	1,807.25	1,766.26
Fund Balance January 1	<u>28,501.26</u>	<u>26,735.00</u>
Fund Balance December 31	<u><u>\$ 30,308.51</u></u>	<u><u>\$ 28,501.26</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, 2012

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

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, 2012

	<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	\$ 382,485.86	\$ 382,486.00	\$ 382,486.00		
Interest on Bonds	193,154.14	193,154.00	191,424.96		\$ 1,729.04
Total Debt Service	<u>575,640.00</u>	<u>575,640.00</u>	<u>573,910.96</u>	<u>\$ -</u>	<u>1,729.04</u>
Total Sewer Utility Appropriations	<u>\$ 575,640.00</u>	<u>\$ 575,640.00</u>	<u>\$ 573,910.96</u>	<u>\$ -</u>	<u>\$ 1,729.04</u>
Interest on Bond and Notes			\$ 191,424.96		
Disbursed			382,486.00		
			<u>\$ 573,910.96</u>		

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

TOWNSHIP OF PEMBERTON
PUBLIC ASSISTANCE TRUST FUND
Statements of Assets and Reserves - Regulatory Basis
As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Cash	SF-1	<u>\$ 14,843.62</u>	<u>\$ 14,843.62</u>
<u>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, 2012

	Balance Dec. 31, 2011	Additions	Disposals	Balance Dec. 31, 2012
General Fixed Assets:				
Land	\$ 13,377,850.00	\$ 230,000.00		\$ 13,607,850.00
Buildings and Parks	12,601,459.00		\$ 136,835.00	12,464,624.00
Equipment	6,096,762.20	516,846.61	299,705.76	6,313,903.05
Total General Fixed Assets	<u>\$ 32,076,071.20</u>	<u>\$ 746,846.61</u>	<u>\$ 436,540.76</u>	<u>\$ 32,386,377.05</u>
Total Investment in General Fixed Assets	<u>\$ 32,076,071.20</u>	<u>\$ 746,846.61</u>	<u>\$ 436,540.76</u>	<u>\$ 32,386,377.05</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, 2012

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 2010 census, is 27,912.

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

The annual financial report may be inspected directly at the office 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 over expenditures 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 fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants 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.

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

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.

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 Related to Deposits - 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 (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Of the Township's bank balances totaling \$11,222,192.54 as of December 31, 2012, \$689,776.11 was insured by the Federal Deposit Insurance Corporation, \$10,355,419.99 was collateralized under the Governmental Unit Deposit Protection Act, and \$176,996.44 was uninsured and uncollateralized.

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, 2012 the Township did not have any deposits with the New Jersey Cash Management Fund.

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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	\$3.503	\$ 3.476	\$ 3.465	\$ 3.506	\$ 3.445
Apportionment of Tax Rate:					
Municipal	\$1.553	\$ 1.524	\$ 1.458	\$ 1.459	\$ 1.394
County	.554	.569	.599	.609	.614
County Library	.055	.055	.057	.058	.057
County Open Space Preservation Trust Fund	.071	.073	.077	.079	.077
Local School	1.270	1.255	1.274	1.301	1.303

Assessed Valuation

2012	\$ 877,235,468.00
2011	876,986,248.00
2010	880,900,170.00
2009	880,468,016.00
2008	878,895,819.00

Note 3: PROPERTY TAXES (CONT'D)Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$ 30,893,100.85	\$ 29,810,085.46	96.49%
2011	30,609,483.31	29,349,410.04	95.88%
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%

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>
2012	\$ 1,362,050.92	\$ 998,331.35	\$ 2,360,382.27	7.64%
2011	1,297,228.48	1,213,718.66	2,510,947.14	8.20%
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%

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

<u>Year</u>	<u>Number</u>
2012	1,157
2011	1,150
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>
2012	\$ 23,720,850.00
2011	23,281,850.00
2010	23,017,650.00
2009	22,632,250.00
2008	22,632,250.00

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>
2012	\$ 593,773.81	\$ 4,145.18	\$ 1,669,934.66	\$ 2,267,853.65	\$ 1,740,149.72
2011	513,191.67	484.00	1,682,789.45	2,196,465.12	1,598,310.09
2010	510,343.93	484.00	1,704,540.01	2,215,367.94	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

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>			
2012	\$ 2,195,970.77	\$ 1,560,000.00	71.04%
2011	1,931,040.44	1,390,000.00	71.98%
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%

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Subsequent Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Water Utility Operating Fund</u>			
2012	\$ 635,952.68	\$ 400,000.00	62.89%
2011	415,803.97	180,000.00	43.29%
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%

Sewer Utility Operating Fund

2012	\$ 30,308.51	-	N/A
2011	28,501.26	-	N/A
2010	26,735.00	-	N/A
2009	74,689.98	-	N/A
2008	72,793.44	-	N/A

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, 2012:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund		\$ 830.31
Trust - Other Funds	\$ 830.31	
Water Utility Operating Fund	43,517.22	
Water Utility Capital Fund		43,517.22
	<u>\$ 44,347.53</u>	<u>\$ 44,347.53</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2013, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

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. In addition, Township employees may also participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in 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.

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

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>Non-Contributory Insurance</u>	<u>Paid by Township</u>
2012	\$ 160,844.00	\$ 321,688.00	\$ 482,532.00	\$ 30,743.00	\$ 513,275.00
2011	185,609.00	295,750.00	481,365.00	36,559.00	517,924.00
2010	138,231.00	177,611.00	315,842.00	43,800.00	359,642.00

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. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, 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>Non-Contributory Insurance</u>	<u>Paid by Township</u>
2012	\$ 385,879.00	\$ 507,612.00	\$ 893,491.00	\$ 35,817.00	\$ 929,308.00
2011	472,413.00	464,409.00	936,822.00	46,259.00	983,081.00
2010	430,873.00	381,730.00	812,603.00	47,535.00	860,138.00

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. The Township had no employees participating in this plan.

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

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 2012, the Township contributed \$76,176.36 to the Township plan for current premiums.

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	\$ 316,185.00
Unfunded Actuarial Liability	<u>465,432.00</u>
Annual Required Contribution (expense)	781,617.00
Interest on Net OPEB Obligation	204,857.36
Adjustment to ARC	(253,850.51)
Contributions made	<u>(76,176.36)</u>
	656,447.49
Net OPEB Obligation – Beginning of Year	<u>4,097,147.21</u>
Net OPEB Obligation – End of Year	<u>\$ 4,753,594.70</u>

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

Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the Township Plan was 0% funded. The actuarial accrued liability for benefits was \$7,512,565.00, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$7,512,565.00. The covered payroll (annual payroll of active employees covered by the plan) was \$9,561,000.00, and the ratio of the UAAL to the covered payroll was 127%. 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.

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%
Dec. 31, 2012	\$ 0	\$ 7,513,565.00	\$ 7,513,565.00	0%	\$ 9,561,000.00	127%

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

Fiscal Year Ended December 31,	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2010	1,437,691.00	4.0%
2011	1,437,691.00	8.9%
2012	781,617.00	9.7%

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

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, 2012
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 Mortality 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	No Spousal Coverage
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, 2012, accrued benefits for compensated absences are valued at \$ 720,354.17.

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, 2012, the Township had lease agreements in effect for the following:

Operating:

- One (1) ITS Mailing Postage Machine
- Seven (7) Photocopiers
- One (1) Hassler Mail & Folding Machine

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>
2013	\$14,400.12
2014	12,431.04

Rental payments under operating leases for the year 2012 were \$13,448.29.

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

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 19,541,551.29	\$ 21,204,952.44	\$ 20,020,557.07
Water Utility:			
Bonds and Notes	2,152,810.59	2,042,433.50	2,263,034.50
Sewer Utility:			
Bonds and Notes	3,543,539.00	3,926,025.00	4,289,934.00
Total Issued	25,237,900.88	27,173,410.94	26,573,525.57
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	4,397,574.63	3,178,574.63	4,853,481.00
Water Utility:			
Bonds and Notes	230,824.00	509,383.00	109,383.00
Total Authorized but Not Issued	4,628,398.63	3,687,957.63	4,962,864.00
Total Issued and Authorized but Not Issued	29,866,299.51	30,861,368.57	31,536,389.57
<u>Deductions:</u>			
Funds Temporarily Held To Pay Notes	1,172,924.79	1,241,634.24	302,540.19
Self-liquidating Debt	5,927,173.59	6,477,841.50	6,662,351.50
Total Deductions	7,100,098.38	7,719,475.74	6,964,891.69
Net Debt	\$ 22,766,201.13	\$ 23,141,892.83	\$24,571,497.88

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 1.43%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Water Utility	\$ 2,383,634.59	\$ 2,383,634.59	
Sewer Utility	3,543,539.00	3,543,539.00	
General	23,939,125.92	1,172,924.79	\$ 22,766,201.13
	<u>\$ 29,866,299.51</u>	<u>\$ 7,100,098.38</u>	<u>\$ 22,766,201.13</u>

Net Debt \$22,766,201.13 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,587,903,510.67 equals 1.43%.

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)	\$ 55,576,622.87
Net Debt	<u>22,766,201.13</u>
Remaining Borrowing Power	<u>\$ 32,810,421.74</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		\$ 1,956,488.40
Deductions:		
Operating and Maintenance Cost	\$ 1,273,728.00	
Debt Service per Water Fund	<u>204,201.52</u>	
Total Deductions		<u>1,477,929.52</u>
Excess in Revenue		<u>\$ 478,558.88</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>573,910.96</u>
Excess in Revenue		<u>\$ 1,729.04</u>

The foregoing debt information is in agreement with the Annual Debt Statement 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>
2013	\$ 402,010.00	\$ 173,630.00	\$ 575,640.00
2014	422,531.00	153,109.00	575,640.00
2015	444,100.00	131,540.00	575,640.00
2016	466,770.00	108,870.00	575,640.00
2017	490,597.00	85,043.00	575,640.00
2018-20	<u>1,317,531.00</u>	<u>100,226.95</u>	<u>1,417,757.95</u>
Total	<u>\$ 3,543,539.00</u>	<u>\$ 752,418.95</u>	<u>\$ 4,295,957.95</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	53,951.00	4,500.00	58,451.00
2017	52,909.00	3,000.00	55,909.00
2018	<u>35,333.25</u>	<u>1,500.00</u>	<u>36,833.25</u>
Total	<u>\$ 283,926.25</u>	<u>\$ 30,126.00</u>	<u>\$ 314,052.25</u>

General Capital Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,155,000.00	\$ 478,627.50	\$ 1,633,627.50
2014	1,195,000.00	439,827.50	1,634,827.50
2015	1,245,000.00	384,427.50	1,629,427.50
2016	1,305,000.00	326,677.50	1,631,677.50
2017	1,365,000.00	266,127.50	1,631,127.50
2018-20	<u>4,459,000.00</u>	<u>395,107.50</u>	<u>4,854,107.50</u>
Total	<u>\$10,724,000.00</u>	<u>\$2,290,795.00</u>	<u>\$13,014,795.00</u>

General Capital Green Acres Loans

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 49,803.00	\$ 4,017.81	\$ 53,820.81
2014	50,467.00	3,354.84	53,821.84
2015	51,144.00	2,678.54	53,822.54
2016	51,833.00	1,988.66	53,821.66
2017	52,536.00	1,284.91	53,820.91
2018-22	121,512.32	620.40	122,132.72
2023-27	84,100.00		84,100.00
2028-32	<u>75,689.91</u>		<u>75,689.91</u>
Total	<u>\$ 537,085.23</u>	<u>\$ 13,945.16</u>	<u>\$ 551,030.39</u>

Note 13: **CAPITAL DEBT (CONT'D)****New Jersey Department of Environmental Protection Loan**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 113,517.30	\$ 49,707.76	\$ 163,225.06
2014	115,799.00	47,426.06	163,225.06
2015	118,126.56	45,098.50	163,225.06
2016	120,500.90	42,724.15	163,225.05
2017	122,922.97	40,302.08	163,225.05
2018-2022	952,684.44	163,440.79	816,125.23
2023-2027	720,969.69	95,155.57	816,125.26
2028-2031	<u>549,104.95</u>	<u>22,182.72</u>	<u>571,287.67</u>
Total	<u>\$ 2,513,625.81</u>	<u>\$ 506,037.63</u>	<u>\$ 3,019,663.44</u>

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>
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	338,000.00	164,116.26	502,116.26
2017	357,000.00	150,596.26	507,596.26
2018-22	2,005,000.00	522,665.04	2,527,665.04
2023-25	<u>1,187,001.00</u>	<u>94,912.52</u>	<u>1,281,913.52</u>
Total	<u>\$ 4,935,001.00</u>	<u>\$1,507,678.86</u>	<u>\$ 6,442,679.86</u>
General Capital	\$ 3,012,914.00		
Water Capital	<u>1,922,087.00</u>		
Total	<u>\$ 4,935,001.00</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, 2012, which can be obtained from:

New Jersey Municipal Self Insurer's Joint Insurance Fund
51 Everett Drive, Suite B-40
West Windsor, New Jersey 08550-5374

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>
2012	\$ 110,000.00	\$ 144,185.18	\$ 91,745.09
2011	None	89,042.10	112,929.76
2010	None	29,477.29	77,444.00

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, 2012, the balance of the Reserve for Self Insurance was \$200,134.22, and the balance of estimated worker's compensation payable was \$516,200.00, 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 2013 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, 2012, the balance of the Reserve for Employee Health Insurance was 147,062.43, and the balance of the estimated claims payable was \$109,900.00, 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 2013 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, 2012, the Township has two tax appeals that are scheduled for trial in 2013. Attempts to settle the appeals have failed. This is a multi-year appeal that affects 2009 and 2010. The majority of the structures have been demolished. Resolution of these appeals could result in a substantial reduction in value for 2009 and 2010.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2011	\$ 4,378,176.88	\$ 603,542.35
Increased by Receipts:		
Taxes Receivable	\$ 30,086,868.23	
Tax Title Liens Receivable	47,251.97	
Prepaid Taxes	271,657.65	
Tax Overpayments	77,780.36	
Trash Rents Receivable	1,909,918.40	
Trash Liens Receivable	4,995.01	
Trash Rent Overpayments	18,419.55	
Petty Cash	400.00	
Inspection/Maintenance Liens Receivable	1,163.07	
Due to State of New Jersey - Senior Citizens and Veterans Deductions	403,500.00	
Payment in Lieu of Taxes - Browns Mills Apartments	134,888.00	
Revenue Accounts Receivable	3,957,466.92	
Reserve for Payment of Debt Service	353,474.74	
Sale of Municipal Property	207,600.00	
Reserve for Off-Duty Police - Trust Fund	45,050.85	
Reserve for Self Insurance - Trust Fund	250,000.00	
Reserve for Urban Enterprise Zone - Trust Fund	100,000.00	
Due to Pemberton Township MUA	7,894.82	
Marriage License Fees - Due to State	3,525.00	
Miscellaneous Revenue Not Anticipated	317,715.76	
Utility Operating Surplus	162,000.00	
Reserve for Seized Monies	5,611.41	
Federal and State Grants Receivable	\$ 655,105.93	
Reserve for Federal and State Grants	5,527.32	
	<u>38,367,181.74</u>	<u>660,633.25</u>
Carried Forward	42,745,358.62	1,264,175.60

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Current Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 42,745,358.62	\$ 1,264,175.60
Decreased by Disbursements:		
2011 Appropriation Reserves	\$ 881,839.59	
2012 Appropriations	20,403,090.69	
County Taxes	5,957,010.32	
Due to County Added and Omitted Taxes	25,223.89	
Refund of Tax Overpayments	36,201.33	
Local District School Tax	11,145,571.14	
Marriage License Fees - Due to State	3,850.00	
Accounts Payable	22,348.73	
Petty Cash	400.00	
Return of Seized Monies	1,123.00	
Due to Pemberton Township MUA	4,021.81	
Due to Trust - Other Fund	32,373.63	
Reserve for Revaluation/Tax Map	68,436.25	
Reserve for Police Retro Pay	138,479.19	
Reserve for Federal and State Grants	5,527.32	
Reserve for Federal and State Grants--Appropriated		525,841.38
	<u>38,725,496.89</u>	<u>525,841.38</u>
Balance December 31, 2012	<u>\$ 4,019,861.73</u>	<u>\$ 738,334.22</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Change Funds
For the Year Ended December 31, 2012

Balance December 31, 2012	<u>\$ 850.00</u>
	Analysis of Balance
Collector - Treasurer	\$ 750.00
Recreation Department	<u>100.00</u>
	<u>\$ 850.00</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2012

Year	Balance December 31, 2011	2012 Levy	Added Taxes	Collections		Due from State of N.J.	Overpayments Applied	Canceled	Transfer to Liens	Balance December 31, 2012
				2011	2012					
Arrears										
2008	\$ 24,678.16				\$ 9,604.20				\$ 13,019.60	\$ 2,054.36
2009	17,052.48				3,501.93				7,579.00	5,971.55
2010	24,204.90				4,712.96			\$ 3,621.74	7,713.20	8,157.00
2011	26,946.06				6,687.22			417.65	8,202.96	11,638.23
	1,120,837.06				1,068,130.46		\$ 5,916.81	9,475.37	21,268.06	16,046.36
	1,213,718.66	\$ -	\$ -	\$ -	1,092,636.77	\$ -	5,916.81	13,514.76	57,782.82	43,867.50
2012		30,893,100.85		285,239.07	28,994,231.46	400,647.13	129,967.80	40,331.87	88,219.67	954,463.85
	\$ 1,213,718.66	\$ 30,893,100.85	\$ -	\$ 285,239.07	\$ 30,086,868.23	\$ 400,647.13	\$ 135,884.61	\$ 53,846.63	\$ 146,002.49	\$ 998,331.35

Analysis of 2012 Property Tax Levy

Tax Yield:

General Property Tax
Added Taxes (54-4-63.1 et. seq.)

\$ 30,729,562.89
163,537.96
\$30,893,100.85

Tax Levy:

Local School District Tax (Abstract)

\$ 11,145,571.14

County Taxes:

County Tax (Abstract)
County Library
County Open Space
Due County for Added/Omitted Taxes

\$ 4,854,026.68
474,823.08
628,160.56
31,778.22

Total County Taxes

5,988,788.54

Local Tax for Municipal Purposes
Add: Additional Tax Levied

13,624,050.93
134,690.24
13,758,741.17

\$30,893,100.85

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 1,297,228.48
Increased by:		
Transfer from Current Year Taxes	\$ 88,219.67	
Transfer from Prior Year Taxes	57,782.82	
Interest and Costs of Sale	27,731.97	
		<u>173,734.46</u>
		1,470,962.94
Decreased by:		
Cash Receipts	47,251.97	
Transferred to Property Acquired for Taxes	61,660.05	
		<u>108,912.02</u>
Balance December 31, 2012		<u><u>\$ 1,362,050.92</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, 2012

Balance December 31, 2011		\$ 23,281,850.00
Increased by:		
Transfer from Tax Title Liens Receivable	\$ 61,660.05	
Transfer from Trash Liens Receivable	224.00	
Adjustment to Assessed Valuations	377,115.95	
		<u>439,000.00</u>
Balance December 31, 2012		<u><u>\$ 23,720,850.00</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, 2012

Balance December 31, 2011		\$ 70,508.19
Increased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 80,250.00	
Veterans	369,000.00	
Deductions Allowed by Collector - 2012 Taxes	8,397.13	
	<u>457,647.13</u>	
Less: Deductions Disallowed by Collector - 2012 Taxes	21,250.00	
Deductions Disallowed by the State	<u>35,750.00</u>	
		<u>400,647.13</u>
		471,155.32
Decreased by:		
Received from State of New Jersey		<u>403,500.00</u>
Balance December 31, 2012		<u><u>\$ 67,655.32</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Rents Receivable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 399,943.47
Increased by:		
2012 Billings		<u>1,880,289.23</u>
		2,280,232.70
Decreased by:		
Receipts	\$ 1,909,918.40	
Overpayments Applied	<u>14,303.46</u>	
	1,924,221.86	
Transfer to Lien	<u>2,046.82</u>	
		<u>1,926,268.68</u>
Balance December 31, 2012		<u><u>\$ 353,964.02</u></u>

Exhibit SA-8

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Liens Receivable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 8,102.34
Increased by:		
Transfer from Trash Rents Receivable		<u>2,046.82</u>
		10,149.16
Decreased by:		
Receipts	\$ 4,995.01	
Canceled	224.00	
Transferred to Foreclosed Property	<u>224.00</u>	
		<u>5,443.01</u>
Balance December 31, 2012		<u><u>\$ 4,706.15</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Inspection/Maintenance Liens Receivable
For the Year Ended December 31, 2012

2012 Inspection/Maintenance Liens	\$ 7,842.54
Decreased by:	
Receipts	<u>1,163.07</u>
Balance December 31, 2012	<u><u>\$ 6,679.47</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2012

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Accrued</u> <u>In 2012</u>	<u>Collected</u>	<u>Trust -</u> <u>Other Fund</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Miscellaneous Revenue Anticipated:					
Licenses:					
Alcoholic Beverages		\$ 12,519.00	\$ 12,519.00		
Other		14,609.64	14,609.64		
Fees and Permits					
Other		81,414.15	78,864.15	\$ 2,550.00	
Fines and Costs:					
Municipal Court					
Interest and Costs on Taxes	\$ 14,209.56	276,309.37	273,122.32		\$ 17,396.61 (1)
Interest on Investments and Deposits		274,730.88	274,730.88		
Trailer Park Licenses and Fees		12,343.48	12,343.48		
Cable Television Franchise Fees		69,484.68	69,484.68		
Police Officers in School		72,353.32	72,353.32		
Consolidated Municipal Property Tax Relief Aid		131,342.45	131,342.45		
Energy Receipts Tax P.L. 1997,		492,031.00	492,031.00		
Chapters 162 & 167)					
Garden State Trust Pilot Aid		2,498,425.00	2,498,425.00		
		27,641.00	27,641.00		
	<u>\$ 14,209.56</u>	<u>\$ 3,963,203.97</u>	<u>\$ 3,957,466.92</u>	<u>\$ 2,550.00</u>	<u>\$ 17,396.61</u>

(1) December 2012

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011	Balance After Modification	Cash Disbursed	Transfer to Accts. Payable	Balance Lapsed
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages					
Mayor / Business Administrator	\$ 849.17	\$ 849.17			\$ 849.17
Township Council	0.50	0.50			0.50
Township Clerk	1,406.17	1,406.17			1,406.17
Other Expenses					
Mayor / Business Administrator	3,532.42	3,532.42	\$ 610.39		2,922.03
Township Council	1,405.21	1,405.21	59.90		1,345.31
Township Clerk	13,089.72	13,089.72	4,111.08		8,978.64
Financial Administration					
Salaries and Wages	21,153.17	1,653.17			1,653.17
Other Expenses	4,291.20	4,291.20	1,249.35		3,041.85
Assessment of Taxes					
Salaries and Wages	1,995.28	1,995.28	512.70		1,482.58
Other Expenses	8,044.25	8,044.25	6,101.59		1,942.66
Collection of Taxes					
Salaries and Wages	3,688.51	3,688.51			3,688.51
Other Expenses	5,547.05	5,547.05	495.00		5,052.05
Liquidation of Tax Title Liens and Foreclosures					
Other Expenses	56,760.00	56,760.00			56,760.00
Legal Services					
Other Expenses	23,029.62	44,529.62	4,554.68	\$ 16,300.00	23,674.94
Municipal Prosecutor					
Other Expenses	5,333.17	5,333.17	3,333.33		1,999.84
Engineering Services					
Other Expenses	100,637.50	80,637.50	75,262.50		5,375.00

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Appropriation Reserves

For the Year Ended December 31, 2012

	<u>Balance Dec. 31, 2011</u>	<u>Balance After Modification</u>	<u>Cash Disbursed</u>	<u>Transfer to Accts. Payable</u>	<u>Balance Lapsed</u>
GENERAL GOVERNMENT (CONT'D)					
Collection of Trash Billing					
Salaries and Wages	\$ 48.08	\$ 48.08			\$ 48.08
Other Expenses	836.81	836.81	\$ 550.00		286.81
MUNICIPAL LAND USE LAW					
Planning Boards					
Salaries and Wages	9,854.97	854.97			854.97
Other Expenses	766.69	766.69	302.20		464.49
Zoning Boards					
Salaries and Wages	27,728.20	2,728.20			2,728.20
Other Expenses	3,948.23	3,948.23			3,948.23
PUBLIC SAFETY FUNCTIONS					
Emergency Medical Services					
Salaries and Wages	0.94	0.94			0.94
Other Expenses	782.25	782.25	624.00		158.25
Aid to Volunteer Fire Companies:					
Other Expenses	38,806.34	33,806.34	22,873.85		10,932.49
Aid to First Aid Organizations:					
Browns Mills Emergency Squad Inc.	25,000.00	25,000.00	25,000.00		23,000.00
Pemberton Emergency Squad Inc.	25,000.00	25,000.00	2,000.00		2,500.00
Other Expenses	2,500.00	2,500.00			
Police					
Salaries and Wages	471,680.89	366,680.89	229,013.48		137,667.41
Other Expenses	77,776.08	77,776.08	47,558.30	\$ 1,140.00	29,077.78
INSURANCE					
Group Insurance Plan for Employees		250,250.00	250,250.00		
Other Insurance Premiums	16,105.76	7,205.76			7,205.76

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011	Balance After Modification	Cash Disbursed	Transfer to Accts. Payable	Balance Lapsed
GENERAL GOVERNMENT (CONTD)					
HEALTH AND WELFARE:					
Police - Animal Control					
Salaries and Wages	\$ 2,309.01	\$ 2,309.01			\$ 2,309.01
Other Expenses	3,226.64	3,226.64			3,226.64
Domestic Violence Response					
Other Expenses	2,090.00	2,240.00	\$ 1,680.00		560.00
Environmental Protection					
Other Expenses	3,500.00	3,500.00			3,500.00
RECREATION AND EDUCATION FUNCTIONS					
Recreation Services and Programs					
Salaries and Wages	25,217.81	20,217.81			20,217.81
Other Expenses	42,745.70	42,745.70	8,531.47		34,214.23
Senior Services					
Salaries and Wages	245.30	245.30			245.30
Other Expenses	4,855.25	4,855.25	840.73		4,014.52
PUBLIC WORKS FUNCTIONS					
Public Buildings and Grounds					
Salaries and Wages	36,810.31	13,710.31			13,710.31
Other Expenses	61,385.41	61,385.41	20,271.52		41,113.89
Fire Hydrant Services					
Other Expenses	1,226.30	1,226.30			1,226.30
STREETS AND ROADS					
Road Repair and Maintenance					
Salaries and Wages	11,172.53	172.53			172.53
Other Expenses	104,000.10	94,000.10	34,373.24	\$ 1,280.18	58,346.68

(Continued)

TOWNSHIP OF PEMBERTON

CURRENT FUND

Statement of Appropriation Reserves

For the Year Ended December 31, 2012

	Balance Dec. 31, 2011	Balance After Modification	Cash Disbursed	Transfer to Accts. Payable	Balance Lapsed
GENERAL GOVERNMENT (CONT'D)					
STREETS AND ROADS (CONT'D)					
Fleet Management					
Salaries and Wages	\$ 3,001.82	\$ 3,001.82			\$ 3,001.82
Other Expenses	46,985.69	46,985.69	\$ 14,658.15	\$ 250.00	32,077.54
Traffic Signals	516.14	516.14	200.69		315.45
Solid Waste Collection	4,125.93	4,125.93			4,125.93
Demolition of Buildings	2,500.00	2,500.00			2,500.00
Township Code Enforcement					
Salaries and Wages	144.24	144.24			144.24
Other Expenses	13,817.82	3,817.82	260.12		3,557.70
Municipal Court					
Salaries and Wages	9,547.69	4,547.69			4,547.69
Other Expenses	3,422.71	3,422.71	909.14		2,513.57
Utilities and Bulk Purchases					
Street Lighting	50,792.51	50,792.51			50,792.51
Telephone and Telegraph	19,627.98	14,627.98	2,688.66		11,939.32
Natural Gas	22,449.14	22,449.14	467.95		21,981.19
Postage	7,734.34	7,734.34	5.00		7,729.34
Gasoline	12,546.38	21,646.38	18,286.86		3,359.52
Electricity	68,503.48	68,503.48	9,957.51		58,545.97
Fuel Oil	720.80	1,220.80	1,216.90		3.90
Water	904.52	904.52	117.32		787.20
Solid Waste Disposal	164,452.58	144,452.58	65,508.39		78,944.19
Sewer	200.00	200.00			200.00

(Continued)

TOWNSHIP OF PEMBERTON
CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011	Balance After Modification	Cash Disbursed	Transfer to Accts. Payable	Balance Lapsed
GENERAL GOVERNMENT (CONT'D)					
Urban Enterprise Zone					
Other Expenses	\$ 1,785.32	\$ 1,785.32			\$ 1,785.32
Contingent	100.00	100.00			100.00
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (O.A.S.I.)	51,734.64	51,734.64	\$ 27,403.59		24,331.05
	<u>\$ 1,735,996.27</u>	<u>\$ 1,735,996.27</u>	<u>\$ 881,839.59</u>	<u>\$ 18,970.18</u>	<u>\$ 835,186.50</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 101,015.46
Increased by:		
Transferred from Appropriation Reserves		<u>18,970.18</u>
		119,985.64
Decreased by:		
Cash Disbursed	\$ 22,348.73	
Canceled	<u>4,127.61</u>	
		<u>26,476.34</u>
Balance December 31, 2012		<u><u>\$ 93,509.30</u></u>

Exhibit SA-13

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Reserve for Revaluation/Tax Map
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 13,988.00
Increased by:		
2012 Budget Appropriation		<u>115,000.00</u>
		128,988.00
Decreased by:		
Cash Disbursed		<u>68,436.25</u>
Balance December 31, 2012		<u><u>\$ 60,551.75</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 285,239.07
Increased by:	
Collection - 2013 Taxes	<u>271,657.65</u>
	556,896.72
Decreased by:	
Application to 2012 Taxes	<u>285,239.07</u>
Balance December 31, 2012	<u><u>\$ 271,657.65</u></u>

Exhibit SA-15

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 121,274.59
Increased by:	
Cash Received	<u>77,780.36</u>
	199,054.95
Decreased by:	
Applied to Prior Years Taxes	\$ 5,916.81
Applied to Current Year Taxes	<u>129,967.80</u>
	135,884.61
Refunds	<u>36,201.33</u>
	<u>172,085.94</u>
Balance December 31, 2012	<u><u>\$ 26,969.01</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Trash Rent Overpayments
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 14,303.46
Increased by:	
Cash Received	<u>18,419.55</u>
	32,723.01
Decreased by:	
Overpayments Applied	<u>14,303.46</u>
Balance December 31, 2012	<u><u>\$ 18,419.55</u></u>

Exhibit SA-17

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2012

2012 Levy -	
County General	\$ 4,854,026.68
County Library	474,823.08
County Open Space	<u>628,160.56</u>
	5,957,010.32
Decreased by:	
Disbursements	<u><u>\$ 5,957,010.32</u></u>

Exhibit SA-18

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 25,223.89
Increased by:	
Added & Omitted Taxes Levied in 2012	<u>31,778.22</u>
	57,002.11
Decreased by:	
Disbursements	<u>25,223.89</u>
Balance December 31, 2012	<u><u>\$ 31,778.22</u></u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Local District School Taxes
For the Year Ended December 31, 2012

Increased by:	
Levy - School Year July 1, 2012 to June 30, 2013	\$ 11,145,571.14
Decreased by:	
Disbursements	<u>\$ 11,145,571.14</u>

Exhibit SA-20

TOWNSHIP OF PEMBERTON
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 1,025.00
Increased by:	
State Fees Collected	<u>3,525.00</u>
	4,550.00
Decreased by:	
Disbursed to State of New Jersey	<u>3,850.00</u>
Balance December 31, 2012	<u>\$ 700.00</u>

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Federal and State Grant Fund
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance Dec. 31, 2011</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants:					
D.C.A.- Small Cities Grant	\$ 200,000.00				\$ 200,000.00
Bulletproof Vest Partnership Grant	2,198.73				2,198.73
Department of Transportation- Tensaw Drive		\$ 213,700.00	\$ 132,750.00		80,950.00
Department of Transportation- Lemmon Avenue	216,836.00		162,627.00		54,209.00
Total Federal Grants	419,034.73	213,700.00	295,377.00	\$ -	337,357.73
State Grants:					
Clean Communities Program		56,390.13	56,390.13		
Drunk Driving Enforcement Grant		28,950.04	28,950.04		
Downtown Revitalization	9,475.50		9,475.38		0.12
Municipal Drug Alliance Grant	21,500.00	26,875.00	23,838.58	5,527.32	19,009.10
Body Armor Replacement Grant		4,878.29	4,878.29		
Municipal Park Development Grant	235,000.00		172,500.00		62,500.00
Recycling Tonnage Grant		33,257.61	33,257.61		
Nesbit Center Park Improvements Grant		223,520.00			223,520.00
Safe and Secure Communities Grant	30,438.90	60,000.00	30,438.90		60,000.00
Total State Grants	296,414.40	433,871.07	359,728.93	5,527.32	365,029.22
Total All Grants	\$ 715,449.13	\$ 647,571.07	\$ 655,105.93	\$ 5,527.32	\$ 702,386.95

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Federal and State Grant Fund
 Statement of Reserve for Federal and State Grants - Unappropriated
 For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Accrued</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2012 Budget</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Federal Grants:				
Department of Transportation- Tensaw Drive	\$ -	\$ 213,700.00	\$ 213,700.00	\$ -
State Grants:				
Clean Communities		56,390.13	56,390.13	
Drunk Driving Enforcement Grant		28,950.04	28,950.04	
Municipal Drug Alliance Grant		26,875.00	26,875.00	
Body Armor Replacement Grant		4,878.29	4,878.29	
Recycling Tonnage Grant		33,257.61	33,257.61	
Nesbit Center Park Improvements Grant		223,520.00	223,520.00	
Safe and Secure Communities Grant		60,000.00	60,000.00	
Total State Grants	-	433,871.07	433,871.07	-
Total All Grants	\$ -	\$ 647,571.07	\$ 647,571.07	\$ -

TOWNSHIP OF PEMBERTON
CURRENT FUND
 Federal and State Grant Fund
 Statement of Reserves for Federal and State Grants - Appropriated
 For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Transferred from</u> <u>2012 Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Federal Grants:					
Department of Transportation- Lemmon Avenue	\$ 216,836.00			\$ 216,836.00	
Department of Transportation- Tensaw Drive		\$ 213,700.00	\$ 154,362.10	47,137.90	\$ 12,200.00
D.C.A.- Small Cities Grant	299,000.00				299,000.00
Total Federal Grants	515,836.00	213,700.00	154,362.10	263,973.90	311,200.00
State Grants:					
Clean Communities	120,142.66	56,390.13	123,199.55	32,308.64	21,024.60
Drunk Driving Enforcement Grant	24,224.82	28,950.04	8,460.22	10,105.82	34,608.82
Urban Enterprise Zone - Welcome Signs	2,663.00				2,663.00
Urban Enterprise Zone - Town Clock	1,877.00				1,877.00
Municipal Drug Alliance Grant	7,227.71	26,875.00	27,801.56	2,450.00	3,851.15
Body Armor Replacement Grant	8,880.02	4,878.29		8,571.20	5,187.11
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	52,845.48	33,257.61	39,517.95	1,246.50	45,338.64
NJ State Police- Exercise Equipment	1,085.40				1,085.40
Municipal Park Development Grant	235,000.00		172,500.00		62,500.00
Volunteer Fire Assistance Grant	4,583.00				4,583.00
Down Town Revitalization	12,463.17				12,463.17
Nesbit Center Park Redevelopment Grant		223,520.00			223,520.00
Safe and Secure Communities Grant		60,000.00			60,000.00
Total State Grants	803,155.48	433,871.07	371,479.28	54,682.16	810,865.11
Total All Grants	\$ 1,318,991.48	\$ 647,571.07	\$ 525,841.38	\$ 318,656.06	\$ 1,122,065.11

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Animal Control Fund</u>	<u>Other Trust</u>
Balance December 31, 2011	\$ 25,149.50	\$ 4,064,535.89
Increased by Receipts:		
Dog License Fees	\$ 25,349.30	
State Registration Fees	4,626.20	
Due to/from Current Fund		\$ 34,923.63
Due to the State of New Jersey -		
D.C.A. Training Fees		22,242.00
Due to Third Party Inspections		155,099.66
Reserve for:		
Uniform Construction Code		49,778.34
Off Duty Police		11,729.91
Special Law Enforcement		2,696.35
Payroll Deductions Payable		10,559,073.70
Parking Offense Adjudication Act		44.00
Self Insurance Claims		50,224.08
Employee Health Care Insurance		4,383,916.89
NJ Unemployment Compensation		123,000.51
Urban Enterprise Zone		1,157.42
Browns Mills Dental		48.06
RCA Trust Funds		557.91
Flexible Spending		9,443.55
Compensated Absences		35,000.00
Public Defender Fees		18,719.00
Recreation Contributions		67,918.04
Escrow Deposits		59,300.41
Municipal Court Escrows		437.30
Tax Sale Premiums		111,400.00
Redemption of Tax Title Liens		2,194,204.15
Affordable Housing		18.54
Grading		7,300.00
FIA/NJB Builders Trust		40.83
Pemberton Farms Association		59.88
	<u>29,975.50</u>	<u>17,898,334.16</u>
Carried Forward	55,125.00	21,962,870.05

(Continued)

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Animal Control Fund</u>	<u>Other Trust</u>
Brought Forward	\$ 55,125.00	\$ 21,962,870.05
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	\$ 39,823.78	
State Registration Fees	4,600.20	
Due to the State of New Jersey -		
D.C.A. Training Fees		12,274.00
Due to Third Party Inspections		127,523.86
Reserves for:		
Uniform Construction Code		139,534.54
Off Duty Police		56,180.25
Special Law Enforcement		10,350.09
Payroll Deductions Payable		10,601,541.87
Flexible Spending		5,109.24
Compensated Absences		16,670.71
Self Insurance Claims		277,207.99
Employee Health Care Insurance		4,803,989.56
NJ Unemployment Compensation		144,185.18
Urban Enterprise Zone		100,000.00
RCA Trust Funds		218,893.12
Public Defender Fees		24,800.00
Grading Escrow		6,717.50
Recreation Contributions		56,156.56
Escrow Deposits		105,609.40
Tax Sale Premiums		98,925.00
Redemption of Tax Title Liens		2,164,096.28
Pemberton Farms Association		25,021.52
Municipal Drug Alliance		5,375.00
	<u>44,423.98</u>	<u>19,000,161.67</u>
Balance December 31, 2012	<u>\$ 10,701.02</u>	<u>\$ 2,962,708.38</u>

TOWNSHIP OF PEMBERTON
TRUST- ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 25,071.50
Increased by Receipts:	
Dog License Fees Collected	<u>25,349.30</u>
	50,420.80
Decreased by Disbursements:	
Expenditures under R.S. 4:19-15.11 - Cash	<u>39,823.78</u>
Balance December 31, 2012	<u><u>\$ 10,597.02</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2010	\$ 30,723.40
2011	<u>27,018.80</u>
	<u><u>\$ 57,742.20</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, 2012

Balance December 31, 2011	\$ 78.00
Increased by:	
Dog License Registration Fees Collected	<u>4,626.20</u>
	4,704.20
Decreased by:	
Disbursed to State Treasurer	<u>4,600.20</u>
Balance December 31, 2012	<u><u>\$ 104.00</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2012

Balance December 31, 2011		\$	34,590.87
Increased by:			
Municipal Drug Alliance Grant Canceled			<u>1,163.07</u>
			35,753.94
Decreased by:			
Interfund Returned	\$	32,373.63	
Cancellation of Treasurer's Escrow Deposits:			
Realized as Miscellaneous Revenue Anticipated		<u>2,550.00</u>	
			<u>34,923.63</u>
Balance December 31, 2012		\$	<u><u>830.31</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, 2012

Balance December 31, 2011	\$ 4,559.00
Increased by:	
State Fees Collected	<u>22,242.00</u>
	26,801.00
Decreased by:	
Paid to the State of New Jersey	<u>12,274.00</u>
Balance December 31, 2012	<u>\$ 14,527.00</u>

Exhibit SB-6

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Uniform Construction Code
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 179,409.66
Increased by:	
Construction Fees Collected	<u>49,778.34</u>
	229,188.00
Decreased by:	
Disbursements	<u>139,534.54</u>
Balance December 31, 2012	<u>\$ 89,653.46</u>

Exhibit SB-7

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Due to Third Party Inspections
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 14,281.40
Increased by:	
Cash Received	<u>155,099.66</u>
	169,381.06
Decreased by:	
Disbursements	<u>127,523.86</u>
Balance December 31, 2012	<u>\$ 41,857.20</u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Special Law Enforcement
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 30,462.16
Increased by:		
Cash Received	\$ 2,664.76	
Interest Earned	<u>31.59</u>	
		<u>2,696.35</u>
		33,158.51
Decreased by:		
Disbursements		<u>10,350.09</u>
Balance December 31, 2012		<u><u>\$ 22,808.42</u></u>

Exhibit SB-9

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 199,127.47
Increased by:		
Received from Compensated Absences Trust Account	\$ 16,670.71	
Deposits Received from Current Account	<u>10,542,402.99</u>	
		<u>10,559,073.70</u>
		10,758,201.17
Decreased by:		
Disbursements		<u>10,601,541.87</u>
Balance December 31, 2012		<u><u>\$ 156,659.30</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Parking Offense Adjudication Act
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 352.00
Increased by:	
Receipts	<u>44.00</u>
Balance December 31, 2012	<u><u>\$ 396.00</u></u>

Exhibit SB-11

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Compensated Absences
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 97,083.28
Increased by:	
Receipts	<u>35,000.00</u>
	132,083.28
Decreased by:	
Disbursed to Reserve for Payroll Deductions Payable	<u>16,670.71</u>
Balance December 31, 2012	<u><u>\$ 115,412.57</u></u>

Exhibit SB-12

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Flexible Spending
For the Year Ended December 31, 2012

Cash Received	\$ 9,443.55
Decreased by:	
Cash Disbursed	<u>5,109.24</u>
Balance December 31, 2012	<u><u>\$ 4,334.31</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Self Insurance Claims
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 427,118.13
Increased by:		
Other Deposits		<u>50,224.08</u>
		477,342.21
Decreased by:		
Current Fund - Realized as Miscellaneous Revenue Anticipated	\$ 250,000.00	
Claims and Other Expenses	<u>27,207.99</u>	
		<u>277,207.99</u>
Balance December 31, 2012		<u><u>\$ 200,134.22</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, 2012

Balance December 31, 2011		\$ 567,135.10
Increased by:		
Cash Received from Current Fund	\$ 1,989,501.12	
Other Deposits	<u>2,394,415.77</u>	
		<u>4,383,916.89</u>
		4,951,051.99
Decreased by:		
Claims Paid		<u>4,803,989.56</u>
Balance December 31, 2012		<u><u>\$ 147,062.43</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for NJ Unemployment Compensation
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 112,929.76
Increased by:		
Cash Received:		
2012 Budget Appropriations:		
Current Fund	\$ 98,000.00	
Water Utility Operating Fund	12,000.00	
Transfers from Payroll Account	12,806.18	
Interest	194.33	
		<u>123,000.51</u>
		235,930.27
Decreased by:		
Claims Paid		<u>144,185.18</u>
Balance December 31, 2012		<u>\$ 91,745.09</u>

Exhibit SB-16

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Urban Enterprise Zone
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 1,257,751.17
Increased by:		
Interest		<u>1,157.42</u>
		1,258,908.59
Decreased by:		
Cash Disbursed:		
Current Fund - Realized as Miscellaneous Revenue Anticipated		<u>100,000.00</u>
Balance December 31, 2012		<u>\$ 1,158,908.59</u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Browns Mills Dental
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 20,979.45
Increased by:	
Interest Earned	<u>48.06</u>
Balance December 31, 2012	<u><u>\$ 21,027.51</u></u>

Exhibit SB-18

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for RCA Trust Funds
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 442,098.09
Increased by:	
Interest	<u>557.91</u>
	442,656.00
Decreased by:	
Cash Disbursed	<u>218,893.12</u>
Balance December 31, 2012	<u><u>\$ 223,762.88</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Public Defender Fees
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 8,208.94
Increased by:	
Cash Received from Municipal Court	<u>18,719.00</u>
	26,927.94
Decreased by:	
Cash Disbursed - Public Defender Expenses	<u>24,800.00</u>
Balance December 31, 2012	<u><u>\$ 2,127.94</u></u>

Exhibit SB-20

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Recreation Contributions
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 84,024.53
Increased by:	
Contributions	<u>67,918.04</u>
	151,942.57
Decreased by:	
Cash Disbursed	<u>56,156.56</u>
Balance December 31, 2012	<u><u>\$ 95,786.01</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Escrow Deposits
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 223,903.05
Increased by:		
Escrow Deposits	\$ 59,175.18	
Interest Earned	<u>125.23</u>	
		<u>59,300.41</u>
		283,203.46
Decreased by:		
Cash Disbursed - Escrow Expenses	84,535.72	
Current Fund - Canceled Escrow Deposits Realized as		
Miscellaneous Revenue Not Anticipated	<u>21,073.68</u>	
		<u>105,609.40</u>
Balance December 31, 2012		<u><u>\$ 177,594.06</u></u>

Exhibit SB-22

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Municipal Court Escrows
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 8,710.06
Increased by:		
Cancel Amount Due to State	\$ 232.00	
Cash Received	<u>437.30</u>	
		<u>669.30</u>
Balance December 31, 2012		<u><u>\$ 9,379.36</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Tax Sale Premiums
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 94,474.20
Increased by:	
Premiums Received	<u>111,400.00</u>
	205,874.20
Decreased by:	
Cash Disbursed	<u>98,925.00</u>
Balance December 31, 2012	<u><u>\$ 106,949.20</u></u>

Exhibit SB-24

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Redemption of Tax Title Liens
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 78,743.42
Increased by:	
2012 Deposits for Tax Title Lien Certificates	<u>2,194,204.15</u>
	2,272,947.57
Decreased by:	
Tax Lien Certificates Redeemed	<u>2,164,096.28</u>
Balance December 31, 2012	<u><u>\$ 108,851.29</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Affordable Housing
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 15,686.76
Increased by:	
Interest Earned	<u>18.54</u>
Balance December 31, 2012	<u><u>\$ 15,705.30</u></u>

Exhibit SB-26

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Municipal Drug Alliance
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 7,593.99
Increased by:	
Canceled Grant Balances	<u>1,163.07</u>
	8,757.06
Decreased by:	
Cash Disbursed to Federal & State Grant Fund - Local Match	<u>5,375.00</u>
Balance December 31, 2012	<u><u>\$ 3,382.06</u></u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Pemberton Farm Association
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 24,961.64
Increased by:	
Interest Earned	<u>59.88</u>
	25,021.52
Decreased by:	
Cash Disbursements	<u>\$ 25,021.52</u>

Exhibit SB-28

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for FIA/NJB Builders - Presidential Lakes
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 34,503.04
Increased by:	
Cash Receipts	<u>40.83</u>
Balance December 31, 2012	<u>\$ 34,543.87</u>

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Off Duty Police
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 51,121.24
Increased by:	
Cash Receipts	<u>11,729.91</u>
	62,851.15
Decreased by:	
Disbursements:	
Off Duty Police Expenses	\$ 11,129.40
Current Fund - Realized as Miscellaneous Revenue Anticipated	<u>45,050.85</u>
	<u>56,180.25</u>
Balance December 31, 2012	<u><u>\$ 6,670.90</u></u>

Exhibit SB-30

TOWNSHIP OF PEMBERTON
TRUST OTHER FUND
Statement of Reserve for Grading Escrow
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 6,006.30
Increased by:	
Cash Receipts - Escrow Deposits	<u>7,300.00</u>
	13,306.30
Decreased by:	
Cash Disbursed - Escrow Expenses	<u>6,717.50</u>
Balance December 31, 2012	<u><u>\$ 6,588.80</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, 2012

Balance December 31, 2011		\$ 3,258,561.55
Increased by Receipts:		
Budget Appropriations:		
Capital Improvement Fund	\$ 180,000.00	
Due from Green Acres - Garden State Preservation Grant	655,979.82	
Reserve to Pay Debt Service	284,765.29	
Premium on Sale of Bond Anticipation Note	4,199.00	
		<u>1,124,944.11</u>
		4,383,505.66
Decreased by Disbursements:		
Disbursed to Current Fund - Miscellaneous Revenue Anticipated:		
Reserve to Pay Debt Service	353,474.74	
Due to Water Capital Fund	71,181.06	
Reserve for Capital Lease Purchases	75,607.50	
Improvement Authorizations	1,528,114.97	
		<u>2,028,378.27</u>
Balance December 31, 2012		<u><u>\$ 2,355,127.39</u></u>
<u>Analysis of Balance</u>		
Cash		\$ 2,165,351.28
Cash Held by Fiscal Agent		<u>189,776.11</u>
		<u><u>\$ 2,355,127.39</u></u>

TOWNSHIP OF PEMBERTON

		Receipts			Disbursements			
	Balance Dec. 31, 2011	Budget Appropriations	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers		Balance Dec. 31, 2012
						From	To	
Fund Balance			\$ 4,199.00			\$ 176,000.00	\$ 41,206.85	\$ 45,405.85
Capital Improvement Fund	\$ 23,245.00	\$ 180,000.00						27,245.00
Reserve for Payment of Debt	1,041,634.24		284,765.29		\$ 353,474.74			972,924.79
Excess Bond Anticipation Note Proceeds	200,000.00					269.57		200,000.00
Deferred Charge to Future Revenues-Ord 15-2009								(269.57)
<u>Improvement Authorizations:</u>								
<u>Ord. Date</u>								
13-2000	Recreation Improvements, Purchase of Equipment & Various Road Improvements	3,231.40		\$ 1,812.50		11,481.22	10,062.32	
17-2003/ 21-2003	Acquisition of Five Trucks & Heavy Equipment	26,570.00		8,100.00		1,860.00		16,610.00
8-2003	Municipal Building Roof, Drainage Improvements, Streets & Roads	477,750.60		449,498.87		28,251.73		
21-2005	Dam Reconstruction & Kinsley Road Reconstruction	1,684,087.33				1,831,643.75	555.29	(147,001.13)
11-2006	2004 Road Program	6,451.00		6,451.00				
22-2006	Various Capital Improvements	832,370.09		138,593.54		331,832.59		361,943.96
7-2007	Various Capital Improvements	241,668.53		1,750.00			3,757.60	243,676.13
8-2007	Various Improvements & Equipment Acquisitions	189,553.35				1,465.42		188,087.93
13-2007	Acquisition of 2 Four Wheel Drive Vehicles	2,619.51		2,619.51				
17-2008	Various Capital Improvements	(142,567.98)						(142,567.98)
(Continued)								

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2012

	Receipts			Disbursements			Balance Dec. 31, 2012
	Balance Dec. 31, 2011	Budget Appropriations	Miscel- laneous	Improvement Authorizations	Miscel- laneous	Transfers	
<u>Improvement Authorizations (Cont'd)</u>							
13-2009 Improvements to Township Roads and 2-2010 Drainage	\$ (570,364.25)			\$ 57,578.81		\$ 6,935.58	\$ (621,007.48)
15-2009 Construction of Imagination Kingdom Playground	233,750.61				\$ 233,750.61		
20-2009 Renovations to Municipal Courtroom	1,473.90				1,473.90		
12-2010 Improvements to Roads	(789,443.08)			265,206.01		24,798.77	177,543.45
14-2010 Various Capital Improvements	164,199.67			84,421.83		10,286.47	23,268.35
17-2011 Improvements to Roads	(94,108.82)			229,185.25		381,426.99	41,425.00
20-2011 Acquisition and Installation of Heating, Ventilation and Air Conditioning at Country Lakes Clubhouse Building	4,350.00			10,250.00			10,250.00
21-2011 Acquisition of a Dump Truck	109.00			114,891.00			114,891.00
06-2012 Reconstruction of Dam Located on Bayberry Street				119,224.71	151,056.48		(209,281.19)
08-2012 Acquisition of Tractors				19,275.60			115,000.00
12-2012 Construction of Fuel Storage Facility				400.00	29,975.00		330,718.25
13-2012 Reconstruction of Country Lakes Dams				18,856.34	132,692.70		1,831,643.75
Reserve for Encumbrances	388,688.59				388,688.59		806,401.77
Due to Water Capital Fund	71,181.06				\$ 71,181.06		
Due from State of New Jersey-Green Acres Fund; Garden State Preservation Grant	(890,000.00)		\$ 655,979.82			234,020.18	
Reserve for Capital Lease	152,111.80				75,607.50		4,778.70
	<u>\$3,258,561.55</u>	<u>\$ 180,000.00</u>	<u>\$ 944,944.11</u>	<u>\$1,528,114.97</u>	<u>\$ 500,263.30</u>	<u>\$3,808,679.39</u>	<u>\$ 2,355,127.39</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 18,704,952.44
Decreased by:		
2012 Budget Appropriation to Pay:		
General Serial Bonds	\$ 1,105,000.00	
Environmental Infrastructure Loan	49,124.00	
Green Acres Trust Loan	32,333.00	
Department of Environmental Protection Loan	111,280.56	
Burlington County Bridge Commission Lease	<u>218,653.50</u>	
	1,516,391.06	
Green Acres Loan Canceled	<u>117,010.09</u>	
		<u>1,633,401.15</u>
Balance December 31, 2012		<u><u>\$ 17,071,551.29</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2011.

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>Authorizations</u>	<u>Reappropriate</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>	<u>Analysis of Balance Dec. 31, 2011:</u>		
							<u>Bond Anticipation Notes</u>	<u>Expenditures</u>	<u>Unexpended Improvement Authorizations</u>
21-2005	Dam Reconstruction & Kinsley Road Reconstruction	\$ 2,448,093.63		\$ (1,831,643.75)	\$ 30,000.00	\$ 586,449.88	\$ 438,356.25	\$ 147,001.13	\$ 1,092.50
17-2008	Various Capital Improvement	488,660.00				488,660.00		142,567.98	346,092.02
13-2009									
2-2010	Improvements to Township Roads and Drainage	639,821.00				639,821.00		621,007.48	18,813.52
12-2010	Improvements to Road	952,000.00				952,000.00		901,904.41	50,095.59
17-2011	Improvements to Road	950,000.00				950,000.00		663,296.06	286,703.94
6-2012	Reconstruction of Dam Located on Bayberry S		\$ 1,219,000.00			1,219,000.00		209,281.19	1,009,718.81
13-2012	Reconstruction of Country Lakes Dam			1,831,643.75		1,831,643.75	1,831,643.75		
		<u>\$ 5,478,574.63</u>	<u>\$ 1,219,000.00</u>	<u>\$ -</u>	<u>\$ 30,000.00</u>	<u>\$ 6,667,574.63</u>	<u>\$ 2,270,000.00</u>	<u>\$ 2,685,058.25</u>	<u>\$ 1,712,516.38</u>

Improvement Authorizations Unfunded \$ 3,392,611.09

Less: Unexpended Proceeds of Bond

Anticipation Notes Issued:

Ord. 13-2012 1,680,094.71

\$ 1,712,516.38

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 23,245.00
Increased by:	
2012 Budget Appropriation	<u>180,000.00</u>
	203,245.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>176,000.00</u>
Balance December 31, 2012	<u><u>\$ 27,245.00</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 1,041,634.24
Increased by:		
D.O.T. Funds Received - Reserved to Pay Debt	\$ 53,587.38	
State Grant Funds - Train Station	<u>231,177.91</u>	
		<u>284,765.29</u>
		1,326,399.53
Decreased by:		
Payment of Debt Service - Realized as Miscellaneous Revenue Anticipated		<u>353,474.74</u>
Balance December 31, 2012		<u><u>\$ 972,924.79</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date	Ordinance Amount	Authorizations					Paid or Charged	Improvement Authorization Canceled	Dec. 31, 2012	
				Capital Improvement Fund	Deferred Charges to Future Taxation - Unfunded	Transfer from Encumbrances Payable	Reappropriated	Unfunded			Funded	Unfunded
13-2000	Recreation Improvements, Purchase of Equipment & Various Road Improvements	8/3/2000	\$3,000,000.00	\$ 3,231.40		\$ 10,062.32			\$ 1,812.50	\$ (11,481.22)	\$ 16,610.00	
17-2003												
21-2003	Acquisition of 5 Trucks & Heavy Equipment	9/17/2003	400,000.00	26,570.00					9,560.00			
8-2003	Municipal Building Roof, Drainage Improvements, Streets & Roads	5/1/2003	1,350,000.00	477,750.60					449,498.87	(28,251.73)		
21-2005	Dam Reconstruction & Kinsley Road Reconstruction		5,073,000.00		\$ 1,832,180.96	555.29	\$(1,831,643.75)					\$ 1,092.50
11-2006	2004 Road Program	6/11/2006	200,000.00	6,451.00					6,451.00			
22-2006	Various Capital Improvements	11/7/2006	1,535,000.00	832,370.08			(330,718.25)		139,707.88		361,943.96	
7-2007	Various Capital Improvements	7/11/2007	2,050,000.00	241,668.53		3,757.60			1,750.00		243,676.13	
8-2007	Various Improvements & Equipment Acquisitions	7/11/2007	380,000.00	169,553.35					1,463.42		188,087.93	
13-2007	Acquisition of 2 Four Wheel Drive Vehicles	9/5/2007	60,000.00	2,619.51					2,619.51			
17-2008	Various Capital Improvements	6/18/2008	1,158,105.00		346,092.02							346,092.02
13-2009	Improvements to Township Roads and Drainage	5/20/2009	705,450.00		69,466.75	6,935.58			57,578.81			18,813.52
15-2009	Construction of Imagination Kingdom Playground	6/17/2009	690,000.00	233,750.61						(233,750.61)		
20-2009	Renovations to Municipal Courtroom	9/2/2009	240,000.00	1,473.90						(1,473.90)		
12-2010	Improvements to Roads	8/4/2010	1,000,000.00		162,556.92	177,543.45			290,004.78			50,095.59
14-2010	Various Capital Improvements	8/18/2010	277,000.00	164,199.67		23,268.35			94,706.30		92,759.72	
17-2011	Improvements to Roads	8/18/2011	1,000,000.00		855,891.18	41,425.00			610,612.24			286,703.94
20-2011	Acquisition and Installation of Heating, Ventilation and Air Conditioning at County Lakes Clubhouse Building	8/18/2011	15,000.00	4,350.00		10,250.00			10,250.00		4,350.00	
21-2011	Acquisition of a Dump Truck	8/18/2011	115,000.00	109.00		114,891.00			114,891.00		109.00	

Continued

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date	Ordinance Amount	Authorizations					Improvement Authorization Canceled	Paid or Charged	Dec. 31, 2012	
				Capital Improvement Fund	Deferred Charges to Future Taxation - Unfunded	Transfer from Encumbrances Payable	Reappropriate	Unfunded			Funded	Unfunded
06-2012	Reconstruction of Dam Located on Bayberry Street	3/21/2012	\$ 1,280,000.00	\$ 61,000.00	\$ 1,219,000.00					\$ 270,281.19		\$ 1,009,718.81
08-2012	Acquisition of Tractors	5/16/2012	115,000.00	115,000.00						18,275.60	\$ 95,724.40	
12-2012	Construction of Fuel Storage Facility	9/5/2012	330,718.25				\$ 330,718.25			30,375.00	300,343.25	
13-2012	Reconstruction of Country Lakes Dams	9/5/2012	1,831,643.75				1,831,643.75			151,549.04		1,680,094.71
				<u>\$ 176,000.00</u>	<u>\$ 1,219,000.00</u>	<u>\$ 3,266,177.83</u>	<u>\$ 388,688.59</u>	<u>\$ -</u>	<u>\$ (274,957.46)</u>	<u>\$ 2,262,791.14</u>	<u>\$ 1,303,604.39</u>	<u>\$ 3,392,611.09</u>
							Encumbrances Payable Disbursed			<u>\$ 734,676.17</u>		
										<u>1,528,114.97</u>		
										<u>\$ 2,262,791.14</u>		

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Capital Lease Purchases
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 152,111.80
Decreased by:	
Disbursed	\$ 75,607.50
Encumbrances Payable	<u>71,725.60</u>
	<u>147,333.10</u>
Balance December 31, 2012	<u><u>\$ 4,778.70</u></u>

Exhibit SC-9

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 388,688.59
Increased by:	
Charged to Capital Lease Purchases	\$ 71,725.60
Charged to Improvement Authorizations	<u>734,676.17</u>
	<u>806,401.77</u>
	1,195,090.36
Decreased by:	
Encumbrances Reallocated to Improvement Authorizations	<u>388,688.59</u>
Balance December 31, 2012	<u><u>\$ 806,401.77</u></u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2012

<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, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2012</u>
21-2005	Dam Reconstruction & Kinsley Road Reconstruction	10/9/2008	1/5/2011 1/4/2012	1/5/2012 1/4/2013	1.38% 1.40%	\$ 2,300,000.00	\$ 438,356.25	\$ 2,300,000.00	\$ 438,356.25
15-2009	Improvements to Imagination Kingdom Playground	1/6/2010	1/5/2011 1/4/2012	1/5/2012 1/4/2013	1.38% 1.40%	200,000.00	200,000.00	200,000.00	200,000.00
13-2012	Reconstruction of Country Lakes Dam:	1/4/2012	1/4/2012	1/4/2013	1.40%		1,831,643.75		1,831,643.75
						<u>\$ 2,500,000.00</u>	<u>\$ 2,470,000.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 2,470,000.00</u>
	Renewals					\$ 2,470,000.00	\$ 2,470,000.00	\$ 2,470,000.00	
	Budget Appropriation						30,000.00		
						<u>\$ 2,470,000.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 2,500,000.00</u>	

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2012

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2011	Bonds Issued	Paid by Budget Appropriation	Balance Dec. 31, 2012
			Date	Amount					
General Obligation Bonds	10/24/2002	\$ 12,813,000.00	10/15/2012	\$ 705,000.00	3.51%	\$ 705,000.00		\$ 705,000.00	
General Obligation Bonds	1/6/2010	4,244,000.00	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		400,000.00	\$ 3,844,000.00
Refunding Bonds	3/16/2011	6,880,000.00	10/15/2013	740,000.00	3.00%				
			10/15/2014	760,000.00	5.00%				
			10/15/2015	795,000.00	5.00%				
			10/15/2016	835,000.00	5.00%				
			10/15/2017	875,000.00	5.00%				
			10/15/2018	920,000.00	5.00%				
			10/15/2019	965,000.00	5.00%				
			10/15/2020	990,000.00	3.50%	6,880,000.00			6,880,000.00
						<u>\$11,829,000.00</u>	<u>\$ -</u>	<u>\$1,105,000.00</u>	<u>\$10,724,000.00</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loans Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of Loans Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Canceled</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
		<u>Date</u>	<u>Amount</u>					
Project No. 0329-91-047	\$ 99,375.00	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%	\$ 52,896.00	-	\$ 7,699.00	\$ 45,197.00
Project No. 0329-92-070	35,186.00	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					
		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	15,166.00	-	1,894.00	13,272.00
Project No. 0329-92-070	275,500.00	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					

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loans Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of Loans Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Canceled</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
		<u>Date</u>	<u>Amount</u>					
Project No. 0329-92-070 (Cont'd)	\$ 275,500.00	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%	\$ 113,788.00	-	\$ 15,301.00	\$ 98,487.00
Project No. 0329-94-061	138,201.00	05/31/13	3,776.00					
		11/30/13	3,813.00					
		05/31/14	3,851.00					
		11/30/14	3,890.00					
		05/31/15	3,929.00					
		11/30/15	3,969.00					
		05/31/16	4,008.00					
		11/30/16	4,048.00					
		05/31/17	4,088.00					
		11/30/17	4,129.00					
Project No. 0329-08-037	445,000.00	05/31/18	4,171.00					
		11/30/18	4,212.00					
		05/13/19	4,255.32	2.00%	59,578.32	-	7,439.00	52,139.32
		06/28/13	8,410.00					
		12/28/13	8,410.00					
		06/28/14	8,410.00					
		12/28/14	8,410.00					
		06/28/15	8,410.00					
		12/28/15	8,410.00					
		06/28/16	8,410.00					
		12/28/16	8,410.00					

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Green Acres Loans Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of Loans Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Canceled</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
		<u>Date</u>	<u>Amount</u>					
Project No. 0329-08-037 (Cont'd)	\$ 445,000.00	06/28/17	\$ 8,410.00					
		12/28/17	8,410.00					
		06/28/18	8,410.00					
		12/28/18	8,410.00					
		06/28/19	8,410.00					
		12/28/19	8,410.00					
		06/28/20	8,410.00					
		12/28/20	8,410.00					
		06/28/21	8,410.00					
		12/28/21	8,410.00					
		06/28/22	8,410.00					
		12/28/22	8,410.00					
		06/28/23	8,410.00					
		12/28/23	8,410.00					
		06/28/24	8,410.00					
		12/28/24	8,410.00					
		06/28/25	8,410.00					
		12/28/25	8,410.00					
		06/28/26	8,410.00					
		12/28/26	8,410.00					
		06/28/27	8,410.00					
		12/28/27	8,410.00					
		06/28/28	8,410.00					
		12/28/28	8,410.00					
		06/28/29	8,410.00					
		12/28/29	8,410.00					
		06/28/30	8,410.00					
		12/28/30	8,410.00					
		06/28/31	8,410.00					
		12/28/31	8,410.00					
		06/28/32	8,409.91					
				N/A	\$ 445,000.00	\$ 117,010.09	\$ -	\$ 327,989.91
					\$ 686,428.32	\$ 117,010.09	\$ 32,333.00	\$ 537,085.23

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Environmental Infrastructure Loan Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Amount of Loan Issued</u>	<u>Maturities of Loans Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
		<u>Date</u>	<u>Amount</u>				
Agreement Part A	\$ 345,000.00	7/1/2013	\$ 25,000.00	5.50%			
		7/1/2014	25,000.00	5.50%			
		7/1/2015	25,000.00	5.50%			
		7/1/2016	30,000.00	5.00%			
		7/1/2017	30,000.00	5.00%			
		7/1/2018	30,000.00	5.00%	\$ 190,000.00	\$ 25,000.00	\$ 165,000.00
Agreement Part B	369,000.00	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			
					143,050.25	24,124.00	118,926.25
					<u>\$ 333,050.25</u>	<u>\$ 49,124.00</u>	<u>\$ 283,926.25</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of General Capital Lease Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
Vehicles - Lease	7/29/2004	\$2,922,728.00	8/15/2013	\$154,088.00	Various			
			8/15/2014	166,448.00	Various			
			8/15/2015	126,896.00	Various			
			8/15/2016	128,544.00	Various			
			8/15/2017	138,432.00	Various			
			8/15/2018	143,376.00	Various			
			8/15/2019	146,672.00	Various			
			8/15/2020	156,560.00	Various			
			8/15/2021	159,032.00	Various			
			8/15/2022	168,920.00	Various			
			8/15/2023	177,984.00	Various	\$ 2,000,672.50	\$ 151,616.00	\$ 1,849,056.50
			8/15/2024	182,104.50	Various			
Various Capital Improvements	8/31/2005	1,580,788.00	8/15/2013	70,065.00	Various			
			8/15/2014	72,660.00	Various			
			8/15/2015	75,687.50	Various			
			8/15/2016	78,715.00	Various			
			8/15/2017	81,742.50	Various			
			8/15/2018	85,202.50	Various			
			8/15/2019	88,662.50	Various			
			8/15/2020	92,122.50	Various			
			8/15/2021	95,149.50	Various			
			8/15/2022	99,475.00	Various			
			8/15/2023	103,800.00	Various			
			8/15/2024	108,125.00	Various			
			8/15/2025	112,450.50	Various	1,230,895.00	67,037.50	1,163,857.50
						<u>\$ 3,231,567.50</u>	<u>\$ 218,653.50</u>	<u>\$ 3,012,914.00</u>

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Department of Environmental Protection Loan Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
2011 Loan-Lebanon Forest Dam Restoration	5/2/2011	\$ 2,624,906.37	1/28/2013	\$ 56,476.27	2.00%			
			7/28/2013	57,041.03	2.00%			
			1/28/2014	57,611.44	2.00%			
			7/28/2014	58,187.56	2.00%			
			1/28/2015	58,769.43	2.00%			
			7/28/2015	59,357.13	2.00%			
			1/28/2016	59,950.70	2.00%			
			7/28/2016	60,550.20	2.00%			
			1/28/2017	61,155.71	2.00%			
			7/28/2017	61,767.26	2.00%			
			1/28/2018	62,384.94	2.00%			
			7/28/2018	63,008.78	2.00%			
			1/28/2019	63,638.87	2.00%			
			7/28/2019	64,275.26	2.00%			
			1/28/2020	64,918.01	2.00%			
			7/28/2020	65,567.19	2.00%			
			1/28/2021	66,222.87	2.00%			
			7/28/2021	66,886.09	2.00%			
			1/28/2022	67,553.95	2.00%			
			7/28/2022	68,229.48	2.00%			
			1/28/2023	68,911.78	2.00%			
			7/28/2023	69,600.90	2.00%			
			1/28/2024	70,296.91	2.00%			
			7/28/2024	70,999.88	2.00%			
			1/28/2025	71,709.87	2.00%			
			7/28/2025	72,426.97	2.00%			
			1/28/2026	73,151.24	2.00%			
			7/28/2026	73,882.76	2.00%			
			1/28/2027	74,621.58	2.00%			
			7/28/2027	75,367.80	2.00%			
			1/28/2028	76,121.48	2.00%			
			7/28/2028	76,882.69	2.00%			

(Continued)

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
 Statement of Department of Environmental Protection Loan Payable
 For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
2011 Loan-Lebanon Forest Dam Restoration	5/2/2011	\$ 2,624,906.37	1/28/2029	\$ 77,651.52	2.00%			
			7/28/2029	78,428.03	2.00%			
			1/28/2030	79,212.31	2.00%			
			7/28/2030	80,004.44	2.00%			
			1/28/2031	80,804.48	2.00%			
						\$ 2,624,906.37	\$ 111,280.56	\$ 2,513,625.81

TOWNSHIP OF PEMBERTON
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>2012 Authorizations</u>	<u>Balance Dec. 31, 2012</u>
21-2005	Reconstruction of a Dam and Kinsley Road	\$ 148,093.63		\$ 148,093.63
17-2008	Various Capital Improvements	488,660.00		488,660.00
13-2009				
2-2010	Improvements to Township Roads and Drainage	639,821.00		639,821.00
12-2010	Improvements to Roads	952,000.00		952,000.00
17-2011	Improvements to Various Roads	950,000.00		950,000.00
6-2012	Reconstruction of Dam Located on Bayberry St		\$ 1,219,000.00	1,219,000.00
		<u>\$ 3,178,574.63</u>	<u>\$ 1,219,000.00</u>	<u>\$ 4,397,574.63</u>

SUPPLEMENTAL EXHIBITS
WATER UTILITY FUND

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Statement of Water Utility Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2011	\$ 476,981.87	\$ 329,596.32
Increased by :		
Water Rents Collected	\$ 1,719,834.76	
Water Liens Collected	4,143.67	
Overpaid Rents	14,301.69	
Miscellaneous	36,338.68	
Reserve for Payment of Bonds and Leases	187,718.74	
Due from Water Utility - Capital Fund	144,950.58	
New Jersey Environmental Infrastructure Trust		\$ 257,970.00
Due from General Capital		71,181.06
Due to Water Utility - Operating Fund	2,107,288.12	389,151.06
	2,584,269.99	718,747.38
Decreased by:		
2012 Budget Appropriations	1,535,736.17	
2011 Appropriation Reserves	128,561.10	
Accounts Payable	5,525.00	
Due from Water Utility - Capital Fund	60,000.00	313,334.34
Improvement Authorization		187,718.74
Reserve for Payment of Bonds and Leases		161,433.36
Due to Water Utility - Operating Fund	1,729,822.27	662,486.44
Balance December 31, 2012	\$ 854,447.72	\$ 56,260.94

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Analysis of Water Utility Capital Cash
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011	Receipts		Disbursements		Transfers	To	From	Balance Dec. 31, 2012
		Miscellaneous	Improvement Authorizations	Improvement Authorizations	Miscellaneous				
Fund Balance	\$ 71,310.79								\$ 71,310.79
Capital Improvement Fund	7.00								7.00
Encumbrances Payable							\$ 27,431.66		27,431.66
Improvement Authorizations:									
1992-18 Rehabilitation of Municipal Water System, Acquisition of Pipes , Water Mains and Related Materials	(109,383.00)								(109,383.00)
2004-17 Redevelopment of Certain Wells	13,736.00								7,736.00
2011-13 Improvements to Various Wells	(65,234.00)		\$ 313,334.34				278,559.00	21,431.66	(121,441.00)
Due Water Operating Fund	144,950.58	\$ 60,000.00			\$ 161,433.36				43,517.22
Due General Capital Fund	(71,181.06)	71,181.06							
Due from New Jersey Environmental Infrastructure Trust		257,970.00						278,559.00	(20,589.00)
Reserve for Payment of Bonds and Leases	345,390.01				187,718.74				157,671.27
	\$ 329,596.32	\$ 389,151.06	\$ 313,334.34	\$ 313,334.34	\$ 349,152.10		\$ 305,990.66	\$ 305,990.66	\$ 56,260.94

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Operating Fund
 Statement of Consumer Accounts Receivable
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 593,773.81
Increased by:		
Water Rents Levied		<u>1,669,934.66</u>
		2,263,708.47
Decreased by:		
Collections	\$ 1,719,834.76	
Overpayments Applied	<u>16,171.29</u>	
	1,736,006.05	
Transfer to Utility Liens Receivable	<u>6,985.64</u>	
		<u>1,742,991.69</u>
Balance December 31, 2012		<u><u>\$ 520,716.78</u></u>

Exhibit SD-4

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
 Water Utility Operating Fund
 Statement of Water Utility Liens
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 4,145.18
Increased by:		
Transfer from Consumer Accounts Receivable		<u>6,985.64</u>
		11,130.82
Decreased by:		
Redeemed		<u>4,143.67</u>
Balance December 31, 2012		<u><u>\$ 6,987.15</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2012

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2011 & 2012</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 Certain Wells	7/15/2004	150,000.00	150,000.00
2011-13	Improvements to Various Wells	7/6/2011	400,000.00	400,000.00
				<u>\$ 5,532,066.00</u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance December 31, 2011		Cash	Balance
	<u>Encumbered</u>	<u>Reserved</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 3,634.84		\$ 3,634.84
Other Expenses	\$ 20,948.86	57,754.77	\$ 39,129.72	39,573.91
Capital Improvements:				
Capital Outlay	85,600.38	3,831.00	89,431.38	
Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)		1,750.31		1,750.31
	<u>\$ 106,549.24</u>	<u>\$ 66,970.92</u>	<u>\$ 128,561.10</u>	<u>\$ 44,959.06</u>

Exhibit SD-7

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Water Rent Overpayments
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 16,171.29
Increased by:	
Cash Received	<u>14,301.69</u>
	30,472.98
Decreased by:	
Overpayments Applied	<u>16,171.29</u>
Balance December 31, 2012	<u>\$ 14,301.69</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, 2012

Budget Appropriations:

New Jersey Environmental Infrastructure Trust Loan \$ 639.16

Balance December 31, 2012 \$ 639.16

Analysis of Accrued Interest - December 31, 2012

<u>Principal Outstanding Dec. 31, 2012</u>	<u>Interest Rates</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
New Jersey Environmental Infrastructure Loans-2012					
\$ 88,966.00	.22% - 3.13%	8/1/2012	12/31/2012	4 Months	\$ 545.37
\$ 15,291.00	.22% - 3.13%	8/1/2012	12/31/2012	4 Months	93.79
					<u>\$ 639.16</u>

Exhibit SD-9

WATER UTILITY FUND
Water Utility Operating Fund
Statement of Accounts Payable
For the Year Ended December 31, 2012

Balance December 31, 2011 \$ 16,437.03

Decreased by:

Cash Disbursed \$ 5,525.00
Canceled 10,912.03

\$ 16,437.03

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Improvement Authorizations
For the Year Ended December 31, 2012

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2011		Paid or Charged	Balance Dec. 31, 2012	
				Funded	Unfunded		Funded	Unfunded
2004-17	Redevelopment of Certain Wells	7/15/04	\$ 150,000.00	\$ 13,736.00		\$ 6,000.00	\$ 7,736.00	
2011-13	Improvements to Various Wells	7/6/11	400,000.00		\$ 334,766.00	334,766.00		
				<u>\$ 13,736.00</u>	<u>\$ 334,766.00</u>	<u>\$ 340,766.00</u>	<u>\$ 7,736.00</u>	<u>\$ -</u>
	Encumbrances Payable					\$ 27,431.66		
	Cash Disbursed					<u>313,334.34</u>		
						<u>\$ 340,766.00</u>		

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Encumbrances Payable
For the Year Ended December 31, 2012

2012 Encumbrances	<u>\$ 27,431.66</u>
Balance December 31, 2012	<u><u>\$ 27,431.66</u></u>

Exhibit SD-12

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 7,691,309.50
Increased by:	
Paid by Operating Budget:	
N.J.E.I.T. Loans	\$ 4,437.41
Capital Lease	<u>120,346.50</u>
	124,783.91
Cancel New Jersey Environmental Infrastructure Loan Payable	<u>43,398.00</u>
	<u>168,181.91</u>
Balance December 31, 2012	<u><u>\$ 7,859,491.41</u></u>

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Water Utility - New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2012

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loans</u>		<u>Interest Rate</u>	<u>Issued</u>	<u>Paid By Budget Appropriation</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>					
2012 Trust Loan Agreement - Direct Loan Program	5/15/2012	\$ 88,966.00	8/1/2013	\$ 4,201.00	0.220%				
			8/1/2014	4,211.00	0.350%				
			8/1/2015	4,225.00	0.490%				
			8/1/2016	4,246.00	0.590%				
			8/1/2017	4,271.00	0.770%				
			8/1/2018	4,304.00	0.990%				
			8/1/2019	4,347.00	1.210%				
			8/1/2020	4,399.00	1.460%				
			8/1/2021	4,463.00	1.670%				
			8/1/2022	4,538.00	1.830%				
			8/1/2023	4,621.00	1.990%				
			8/1/2024	4,713.00	2.110%				
			8/1/2025	4,812.00	2.230%				
			8/1/2026	4,920.00	2.330%				
			8/1/2027	5,034.00	2.860%				
2012 Fund Loan Agreement - Direct Loan Program	5/15/2012	86,796.00	8/1/2028	5,178.00	2.940%				
			8/1/2029	5,331.00	3.020%				
			8/1/2030	5,492.00	3.070%				
			8/1/2031	5,660.00	3.130%	\$ 88,966.00	\$ -	\$ -	\$ 88,966.00
			2/1/2013	1,471.11					
			8/1/2013	2,942.23					
			2/1/2014	1,471.11					
			8/1/2014	2,942.23					
			2/1/2015	1,471.11					
			8/1/2015	2,942.23					
			2/1/2016	1,471.11					
			8/1/2016	2,942.23					

Continued

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND

Water Utility Capital Fund

Statement of Water Utility - New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2012

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loans</u>			<u>Interest Rate</u>	<u>Issued</u>	<u>Paid By Budget Appropriation</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>	<u>Outstanding December 31, 2012</u>					
2012 Fund Loan Agreement - Direct Loan Program	5/15/2012	\$ 86,796.00	2/1/2017	\$ 1,471.11						
			8/1/2017	2,942.23						
			2/1/2018	1,471.11						
			8/1/2018	2,942.23						
			2/1/2019	1,471.11						
			8/1/2019	2,942.23						
			2/1/2020	1,471.11						
			8/1/2020	2,942.23						
			2/1/2021	1,471.11						
			8/1/2021	2,942.23						
			2/1/2022	1,471.11						
			8/1/2022	2,942.23						
			2/1/2023	1,471.11						
			8/1/2023	2,942.23						
			2/1/2024	1,471.11						
			8/1/2024	2,942.23						
			2/1/2025	1,471.11						
			8/1/2025	2,942.23						
			2/1/2026	1,471.11						
			8/1/2026	2,942.23						
			2/1/2027	1,471.11						
			8/1/2027	2,942.23						
			2/1/2028	1,471.11						
			8/1/2028	2,942.23						
			2/1/2029	1,471.11						
			8/1/2029	2,942.23						
			2/1/2030	1,471.11						
			8/1/2030	2,942.23						
			2/1/2031	1,471.11						
			8/1/2031	2,942.54						
						N/A	\$ 130,194.00	\$ 2,942.23	\$ 43,398.00	\$ 83,853.77

Continued

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND

Water Utility Capital Fund
Statement of Water Utility - New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2012

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loans</u>		<u>Interest Rate</u>	<u>Issued</u>	<u>Paid By Budget Appropriation</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Outstanding December 31, 2012 Amount</u>					
2012 Trust Loan Agreement - Direct Loan Program	5/15/2012	\$ 15,291.00	8/1/2013	\$ 722.00	0.220%				
			8/1/2014	724.00	0.350%				
			8/1/2015	726.00	0.490%				
			8/1/2016	730.00	0.590%				
			8/1/2017	734.00	0.770%				
			8/1/2018	740.00	0.990%				
			8/1/2019	747.00	1.210%				
			8/1/2020	756.00	1.460%				
			8/1/2021	767.00	1.670%				
			8/1/2022	780.00	1.830%				
			8/1/2023	794.00	1.990%				
			8/1/2024	810.00	2.110%				
			8/1/2025	827.00	2.230%				
2012 Fund Loan Agreement - Direct Loan Program	5/15/2012	44,108.00	8/1/2026	846.00	2.330%				
			8/1/2027	865.00	2.860%				
			8/1/2028	890.00	2.940%				
			8/1/2029	916.00	3.020%				
			8/1/2030	944.00	3.070%				
			8/1/2031	973.00	3.130%	\$ 15,291.00	\$ -	\$ -	\$ 15,291.00
			2/1/2013	747.59					
			8/1/2013	1,495.18					
			2/1/2014	747.59					
			8/1/2014	1,495.18					
			2/1/2015	747.59					
			8/1/2015	1,495.18					
			2/1/2016	747.59					
			8/1/2016	1,495.18					

Continued

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND

Water Utility Capital Fund

Statement of Water Utility - New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2012

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loans</u>			<u>Interest Rate</u>	<u>Issued</u>	<u>Paid By Budget Appropriation</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Outstanding December 31, 2012</u>	<u>Amount</u>					
2012 Fund Loan Agreement - Direct Loan Program	5/15/2012	\$ 44,108.00	2/1/2017	\$	747.59					
			8/1/2017		1,495.18					
			2/1/2018		747.59					
			8/1/2018		1,495.18					
			2/1/2019		747.59					
			8/1/2019		1,495.18					
			2/1/2020		747.59					
			8/1/2020		1,495.18					
			2/1/2021		747.59					
			8/1/2021		1,495.18					
			2/1/2022		747.59					
			8/1/2022		1,495.18					
			2/1/2023		747.59					
			8/1/2023		1,495.18					
			2/1/2024		747.59					
			8/1/2024		1,495.18					
			2/1/2025		747.59					
			8/1/2025		1,495.18					
			2/1/2026		747.59					
			8/1/2026		1,495.18					
			2/1/2027		747.59					
			8/1/2027		1,495.18					
			2/1/2028		747.59					
			8/1/2028		1,495.18					
			2/1/2029		747.59					
			8/1/2029		1,495.18					
			2/1/2030		747.59					
			8/1/2030		1,495.18					
			2/1/2031		747.59					
			8/1/2031		1,495.37					
			N/A				\$ 44,108.00	\$ 1,495.18		\$ 42,612.82
							\$ 278,559.00	\$ 4,437.41	\$ 43,398.00	\$ 230,723.59

TOWNSHIP OF PEMBERTON
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Water Utility Capital Lease Payable
For the Year Ended December 31, 2012

<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, 2011</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>December 31, 2012</u>	<u>Amount</u>				
Security Improvements and Acquisition of Equipment	7/29/2004	\$ 624,272.00	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%	\$ 427,328.00	\$ 32,384.00	\$ 394,944.00
Improvements to Water System	8/31/2005	2,074,213.00	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%	1,615,105.50	87,962.50	1,527,143.00
							\$ 2,042,433.50	\$ 120,346.50	\$ 1,922,087.00

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, 2012

Ordinance		Balance	N.J.E.I.T.	Balance
<u>Number</u>	<u>Improvement Description</u>	<u>December 31, 2011</u>	<u>Loan</u> <u>Issued</u>	<u>December 31, 2012</u>
1992-18	Rehabilitation of Municipal Water System, Acquisition of Pipes, Water Mains and Related Materials	\$ 109,383.00		\$ 109,383.00
2011-13	Improvements to Various Wells	400,000.00	\$ 278,559.00	121,441.00
		<u>\$ 509,383.00</u>	<u>\$ 278,559.00</u>	<u>\$ 230,824.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Statement of Sewer Utility Cash - Treasurer
For the Year Ended December 31, 2012

	<u>Operating</u>
Balance December 31, 2011	\$ 46,249.04
Increased by Receipts:	
Lease Agreement - Pemberton Township MUA	\$ 575,640.00
Interest on Investments	<u>78.21</u>
	<u>575,718.21</u>
	621,967.25
Decreased by Disbursements:	
2012 Appropriations - Debt Service:	
Bond Principal	382,486.00
Accrued Interest on Bonds	<u>193,154.00</u>
	<u>575,640.00</u>
Balance December 31, 2012	<u><u>\$ 46,327.25</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, 2012

Balance December 31, 2011	\$ 17,747.78
Increased by:	
Budget Appropriation:	
Interest on Bonds	191,424.96
	209,172.74
Decreased by:	
Disbursements	193,154.00
Balance December 31, 2012	<u>\$ 16,018.74</u>

Analysis of Accrued Interest December 31, 2012

	Principal Outstanding <u>Dec. 31, 2012</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds:						
	\$ 3,543,539.00	5.000%	11/28/2012	12/31/2012	33 Days	<u>\$ 16,018.74</u>

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
Sewer Utility Capital Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 7,713,015.00
Increased by:	
Bonds Paid by Operating Budget	<u>382,486.00</u>
Balance December 31, 2012	<u><u>\$ 8,095,501.00</u></u>

TOWNSHIP OF PEMBERTON
SEWER UTILITY FUND
 Sewer Utility Capital Fund
 Statement of Sewer Utility Bonds Payable
 For the Year Ended December 31, 2012

<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, 2011</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Outstanding December 31, 2012 Amount</u>				
Acquisition of the Pemberton Township MUA & Improvements to the Sewer System	5/29/1980	\$ 9,750,000.00	5/28/2013	\$ 198,503.00				
			11/28/2013	203,507.00				
			5/28/2014	208,636.00				
			11/28/2014	213,895.00				
			5/28/2015	219,286.00				
			11/28/2015	224,814.00				
			5/28/2016	230,480.00				
			11/28/2016	236,290.00				
			5/28/2017	242,245.00				
			11/28/2017	248,352.00				
			5/28/2018	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%	\$ 3,926,025.00	\$ 382,486.00	\$ 3,543,539.00

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, 2012

	<u>P.A.T.F. II</u>
Balance December 31, 2011	\$ 14,843.62
Increased by:	
Interest Earned	<u>19.08</u>
	14,862.70
Decreased by:	
Interest Disbursed to Current Fund - Realized as Miscellaneous Revenue	<u>19.08</u>
Balance December 31, 2012	<u><u>\$ 14,843.62</u></u>

TOWNSHIP OF PEMBERTON
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012

TOWNSHIP OF PEMBERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

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. 2012-1

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
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal 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. 2011-1

Condition

The Township's fixed asset accounting record did not accurately account for all general fixed assets owned by the Township as required by N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets.

Current Status

The condition has been corrected.

Finding No. 2011-2

Condition

The Township did not have its Other Postemployment Benefits liability (OPEB) updated by an actuary as required by Governmental Accounting Standards Board (GASB) 45.

Current Status

The condition has been corrected.

Finding No. 2011-3

Condition

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

Current Status

Condition continues to exist. See Finding No. 2012-1.

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.

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:

Name	Title	Amount of Surety Bond
David A. Patriarca	Mayor	(A)
Kenneth C. Cartier	Council President	(A)
Sherry L. Scull	Councilmember	(A)
Richard H. Prickett	Councilmember	(A)
Diane P. Stinney	Councilmember	(A)
Jason Allen	Councilmember	(A)
Christopher J. Vaz	Business Administrator to April 23, 2012	(A)
Dennis Gonzalez	Business Administrator from June 6, 2012	(A)
Robert D. Benick	Chief Financial Officer	\$1,000,000
Mary Ann Finlay	Township Clerk & Improvement & Search Office	\$1,000,000
Michele Adams	Tax Collector, Tax Search Officer, Utility Rent Collector	\$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.