

**TOWNSHIP OF PENNSAUKEN  
COUNTY OF CAMDEN  
REPORT OF AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2012**



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**TOWNSHIP OF PENNSAUKEN**  
**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 Committee  
Township of Pennsauken  
Pennsauken, New Jersey 08110

### ***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 Pennsauken, in the County of Camden, 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 Pennsauken, in the County of Camden, 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 Pennsauken, in the County of Camden, 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 accompanying schedules of expenditures of federal awards and state financial assistance programs are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the financial statements.

The supplementary financial statements presented for the various funds and the schedules of expenditures of federal awards and state financial assistance programs 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.



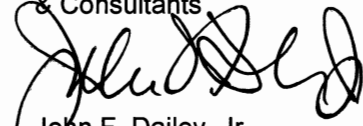
**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated July 3, 2013 on our consideration of the Township of Pennsauken's, in the County of Camden, 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 Pennsauken's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



John F. Dailey, Jr.  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
July 3, 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 Committee  
Township of Pennsauken  
Pennsauken, New Jersey 08110

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 Pennsauken, in the County of Camden, 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 July 3, 2013. That report indicated that the Township of Pennsauken'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 Pennsauken'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 Pennsauken'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 not identify any deficiencies in internal control that we consider to be significant deficiencies.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Township of Pennsauken'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 a matter of noncompliance or other matters that is 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 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1.

### ***The Township of Pennsauken's Response to Findings***

The Township of Pennsauken's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. 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.

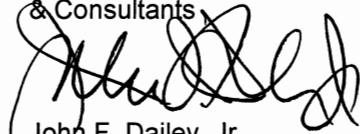
### ***Purpose of this Report***

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



John F. Dailey, Jr.  
 Certified Public Accountant  
 Registered Municipal Accountant

Voorhees, New Jersey  
 July 3, 2013

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

ASSETS:	Ref.	2012	2011
Regular Fund:			
Cash -- Treasurer	SA-1	\$ 5,669,622.10	6,164,243.31
Cash -- Collector	SA-2	660,146.09	1,471.49
Cash -- Change Funds	SA-3	950.00	950.00
Due from State of New Jersey -- Veterans' and Senior Citizens' Deductions	SA-19		2,417.32
		<u>6,330,718.19</u>	<u>6,169,082.12</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	2,858,719.39	2,270,448.48
Tax Title Liens Receivable	SA-6	266,874.61	238,584.04
Municipal Assessments Receivable	SA-7	38,199.84	53,857.08
Payments in Lieu of Taxes Receivable	SA-8	0.50	
Protested Checks Receivable	SA-9	2,189.51	1,691.51
Due from Bank	SA-10	365.30	129.30
Revenue Accounts Receivable	SA-11	174,618.01	162,638.12
Property Acquired for Taxes (at Assessed Valuation)	A	2,550,800.00	2,550,800.00
Due from Township of Pennsauken Library	SA-12		540.45
Due from Pennsauken Housing Authority	SA-13		330.22
Due from Federal and State Grant Fund	SA-28	17,462.88	
		<u>5,909,230.04</u>	<u>5,279,019.20</u>
Deferred Charges:			
Deficit in Operations	A-1	116,952.02	-
Total Regular Fund		<u>12,356,900.25</u>	<u>11,448,101.32</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-27	115,522.81	1,493,490.39
Due from Current Fund	SA-28		360,793.76
Total Federal and State Grant Fund		<u>115,522.81</u>	<u>1,854,284.15</u>
Total Assets		<u>\$ 12,472,423.06</u>	<u>\$ 13,302,385.47</u>

(Continued)

**TOWNSHIP OF PENNSAUKEN**  
CURRENT FUND

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

LIABILITIES, RESERVES AND FUND BALANCE:	Ref.	2012	2011
<b>Regular Fund:</b>			
Liabilities:			
Due to Pennsauken Housing Authority	SA-13	2.13	
Prepaid Payments in Lieu of Taxes	SA-14	8,111.30	7,336.13
Appropriation Reserves	A-3, SA-15	210,726.13	339,252.07
Reserve for Encumbrances	A-3, SA-15	140,855.40	143,855.02
Due to Pennsauken Garbage District	SA-16	22,612.09	4,980.07
Prepaid Taxes	SA-17	755,296.53	603,853.44
Tax Overpayments	SA-18	1,286.97	94.05
Due to State of New Jersey:			
Veterans' and Senior Citizens' Deductions	SA-19	1,818.46	
Training Fees -- Surcharge	SA-20	6,249.00	11,015.00
Marriage and Domestic Partner Licenses	SA-21	2,875.00	750.00
Due to County for Added and Omitted Taxes	SA-22	17,373.93	15,459.58
Local School Taxes Payable	SA-24	3,085,265.85	3,082,219.15
Due to Federal and State Grant Fund	SA-28		360,793.76
Due to Trust - Other Fund	SB-8	1,243.66	66,682.95
Due to General Capital Fund	SC-6	1,954,993.37	793,409.20
Due to Golf Course Utility Operating Fund	SD-6	816.11	1,237.42
		<u>6,209,525.93</u>	<u>5,430,937.84</u>
Reserves for Receivables and Other Assets		5,909,230.04	5,279,019.20
Fund Balance	A-1	<u>238,144.28</u>	<u>738,144.28</u>
<b>Total Regular Fund</b>		<u>12,356,900.25</u>	<u>11,448,101.32</u>
<b>Federal and State Grant Fund:</b>			
Due to Current Fund	SA-28	17,462.88	
Reserve for Federal and State Grants --			
Unappropriated	SA-29	12,026.36	8,083.47
Appropriated	SA-30	74,747.10	1,829,808.86
Reserve for Encumbrances	SA-30	<u>11,286.47</u>	<u>16,391.82</u>
<b>Total Federal and State Grant Fund</b>		<u>115,522.81</u>	<u>1,854,284.15</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 12,472,423.06</u>	<u>\$ 13,302,385.47</u>

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

**TOWNSHIP OF PENNSAUKEN**  
**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>		
Surplus Utilized	\$ 500,000.00	\$ 750,000.00
Miscellaneous Revenues Anticipated	12,748,061.14	13,909,997.57
Receipts from Delinquent Taxes	2,028,329.60	1,948,059.22
Receipts from Current Taxes	78,529,131.18	78,055,255.52
Non-Budget Revenues	216,515.14	169,525.85
Other Credits to Income:		
Refund of Prior Year Expenditures:		
Receipts	28,930.37	444,978.26
Due Federal and State Grant Fund		673.08
Due Trust Other Fund	12,366.31	2,548.24
Unexpended Balance of Appropriation Reserves	53,900.27	34,131.53
Cancellation of Due to Camden County Municipal Utility Authority		741.16
Cancellation of Due to Pennsauken Sewerage Authority		188.22
Cancellation of Due County for Added and Omitted Taxes		0.03
Liquidation of Reserves for:		
Due from Pennsauken Free Public Library	540.45	
Due from Pennsauken Housing Authority	330.22	
Due from Bank		60.00
Protested Checks		6,440.22
	<hr/>	<hr/>
Total Income	94,118,104.68	95,322,598.90
	<hr/>	<hr/>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	16,161,775.00	15,787,340.00
Other Expenses	10,589,038.97	10,332,855.00
Deferred Charges and Regulatory Expenditures Within "CAPS"	3,606,854.68	3,901,973.20
Operations Excluded from "CAPS":		
Salaries and Wages	56,032.06	51,190.44
Other Expenses	994,053.95	1,853,023.80
Capital Improvements Excluded from "CAPS"	130,000.00	1,012,500.00
Municipal Debt Service Excluded from "CAPS"	2,695,924.56	2,517,005.77
Prior Year Veterans' and Senior Citizens' Deductions Disallowed	30,013.20	23,765.49
County Taxes	18,756,742.54	18,068,037.46
Due County for Added and Omitted Taxes	17,373.93	15,459.58
Local School District Taxes	37,031,223.50	37,049,782.50
Garbage District Taxes	4,063,275.00	4,020,000.00
Cancellation of Federal and State Grant Receivable		1.00

(Continued)

**TOWNSHIP OF PENNSAUKEN**  
**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>Expenditures (Cont'd)</u>		
Refund of Prior Year Revenue:		
Disbursements	\$ 694.65	\$ 4,294.92
Due Federal and State Grant Fund	15,482.10	6,165.52
Due Trust Other Funds	588.24	1,113.45
Reserve for Tax Overpayments	67,787.44	
Creation of Reserves for:		
Due from Federal and State Grant Fund	17,462.88	
Due from Bank	236.00	
Due from Pennsauken Free Public Library		540.45
Due from Pennsauken Housing Authority		330.22
Protested Checks Receivable	498.00	
	94,235,056.70	94,645,378.80
 Total Expenditures	 94,235,056.70	 94,645,378.80
 Excess in Revenue		 677,220.10
Deficit in Revenue	(116,952.02)	
 Adjustment to Income before Fund Balance:		
Deficit in Operations to be raised in the Budget of the Succeeding Year	-	-
 Regulatory Excess to Fund Balance		 677,220.10
Deficit in Operations to be Raised in Budget of Succeeding Year	\$ (116,952.02)	
 <u>Fund Balance</u>		
 Balance January 1	 738,144.28	 810,924.18
	738,144.28	1,488,144.28
Decreased by:		
Utilization as Anticipated Revenue	500,000.00	750,000.00
 Balance December 31	 \$ 238,144.28	 \$ 738,144.28

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

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

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Surplus Anticipated	\$ 500,000.00	-	\$ 500,000.00	-
Miscellaneous Revenues - Local Revenues:				
Licenses:				
Alcoholic Beverages	60,400.00		61,000.00	\$ 600.00
Other	34,900.00		29,646.00	(5,254.00)
Fees and Permits	390,075.00		390,481.41	406.41
Fines and Costs:				
Municipal Court	1,049,060.00		1,112,942.46	63,882.46
Interest and Costs on Taxes	490,390.00		600,863.53	110,473.53
Interest on Investments and Deposits	98,023.80		57,398.78	(40,625.02)
Swimming Pool Admissions	46,885.00		52,850.00	5,965.00
Cable Franchise Fees	94,192.73		94,192.73	
Miscellaneous Revenues - State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax Relief Aid	452,680.00		452,680.00	
Energy Receipts Tax (P.L. 1997, Chapter 162 & 167)	5,046,470.00		5,046,470.00	
Miscellaneous Revenues - Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
Uniform Construction Code Fees	484,940.00		642,906.00	157,966.00

(Continued)



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

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Miscellaneous Revenues - Special Items of Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Camden County Recreational Facilities Enhancement Grant		\$ 25,000.00	\$ 25,000.00	
Drunk Driving Enforcement Fund		35,032.06	35,032.06	
Emergency Management Assistance Program		5,000.00	5,000.00	
Body Armor Replacement Fund Grant	\$ 8,083.47		8,083.47	
Drive Sober or Get Pulled Over		9,000.00	9,000.00	
Green Communities Grant Program		3,000.00	3,000.00	
Municipal Alliance on Alcoholism and Drug Abuse		29,528.00	29,528.00	
Municipal Court Alcohol, Education and Rehabilitation Fund Grant		7,878.60	7,878.60	
"Click It or Ticket 2012" Grant		4,000.00	4,000.00	
Justice Assistance Grant (JAG)		13,266.00	13,266.00	
Camden County DWI Checkpoint Grant		3,000.00	3,000.00	
Pedestrian Safety and Education Enforcement Grant		19,000.00	19,000.00	
Miscellaneous Revenues - Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Emergency Medical Technician Billing Fees	1,059,200.00		1,099,091.26	\$ 39,891.26
Payments in Lieu of Taxes	1,901,220.00		1,940,863.94	39,643.94
Lease of Municipal Assets -- Landfill	250,000.00		250,000.00	

(Continued)

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

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Miscellaneous Revenues - Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items (Cont'd):				
Golf Course Utility -- Payment in Lieu of Taxes	\$ 185,000.00		\$ 175,000.00	\$ (10,000.00)
Uniform Fire Safety Act -- Life Hazard Use Fees	198,480.00		179,485.53	(18,994.47)
Merchantville - Pennsauken Water Commission Antenna Fee - Share	400,000.00		400,401.37	401.37
<b>Total Miscellaneous Revenues</b>	<b>12,250,000.00</b>	<b>\$ 153,704.66</b>	<b>12,748,061.14</b>	<b>344,356.48</b>
Receipts from Delinquent Taxes	2,150,000.00	-	2,028,329.60	(121,670.40)
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	20,909,690.67		20,390,206.88	(519,483.79)
Minimum Library Tax	865,309.33	-	865,309.33	
<b>Total Amount to be Raised by Taxes for Support of Municipal Budget</b>	<b>21,775,000.00</b>		<b>21,255,516.21</b>	<b>(519,483.79)</b>
<b>Budget Totals</b>	<b>36,675,000.00</b>	<b>153,704.66</b>	<b>36,531,906.95</b>	<b>(296,797.71)</b>
Non-Budget Revenues	-	-	216,515.14	216,515.14
<b>Total Revenues</b>	<b>\$ 36,675,000.00</b>	<b>\$ 153,704.66</b>	<b>\$ 36,748,422.09</b>	<b>\$ (80,282.57)</b>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue from Collections		\$ 78,529,131.18
Allocated to:		
School, County and Special District Taxes		<u>59,868,614.97</u>
Balance for Support of Municipal Budget Appropriations		18,660,516.21
Add: Appropriation "Reserve for Uncollected Taxes"		<u>2,595,000.00</u>
Amount for Support of Municipal Budget Appropriations		<u><u>\$ 21,255,516.21</u></u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		\$ 1,989,729.48
Tax Title Lien Collections		<u>38,600.12</u>
		<u><u>\$ 2,028,329.60</u></u>
Licenses -- Other:		
Construction Code Official:		
Builder	\$ 13,096.00	
Clerk:		
Billards	\$ 270.00	
Board of Health	5,780.00	
Heating	100.00	
Marriage	615.00	
Peddler / Solicitor	1,000.00	
Precious Metals	225.00	
Raffle	580.00	
Taxicab	6,980.00	
Used Car Lot	<u>1,000.00</u>	
		<u>16,550.00</u>
		<u><u>\$ 29,646.00</u></u>
Fees and Permits:		
Construction Code Official:		
Building Permits	\$ 398,478.00	
Certificates of Compliance -- Elevator	22,158.00	
Certificates of Occupancy	13,800.00	
Electrical Permits	108,464.00	
Fire Sub code Permits	24,028.00	
Plumbing Permits	66,458.00	
Street Opening Permits	<u>9,520.00</u>	
		<u><u>\$ 642,906.00</u></u>
Fees and Permits -- Other:		
Construction Code Official:		
Housing Code Letters	\$ 28,450.00	
Rent Board Applications	54,095.00	
Trash Dumpster Permit	<u>3,245.00</u>	
		<u><u>\$ 85,790.00</u></u>

(Continued)

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

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Analysis of Realized Revenues (Cont'd)

## Fees and Permits -- Other (Cont'd):

Recreation		\$ 15,080.00
Clerk:		
Bid Specifications	\$ 5,273.00	
Coin Operated Device Permits	545.00	
Outdoor Sign Rental	8,973.72	
Tax Searches	60.00	
Vital Statistics	11,850.00	
Zoning Books	<u>30.00</u>	
		26,731.72
Fire Department:		
Fire Inspection Fees		118,447.50
Police Department:		
Accident and Police Reports		32,655.35
Planning and Zoning:		
Planning Board Fees	14,105.00	
Zoning Board Fees	<u>2,200.00</u>	
		16,305.00
Treasurer:		
Cellular Telephone Lease Agreements	74,291.86	
State Death Certificates	15,315.00	
State Hotel Fee	<u>5,864.98</u>	
		<u>95,471.84</u>
		<u><u>\$ 390,481.41</u></u>

Analysis of Non-Budget Revenues

## Miscellaneous Revenues not Anticipated:

## Revenue Accounts Receivable:

## Construction Code Official:

Penalties and Fines

\$ 8,135.00

Photocopies

20.15

\$ 8,155.15

## Clerk:

Photocopies

151.35

Showmobile

1,425.00

1,576.35

(Continued)

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

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Analysis of Non-Budget Revenues (Cont'd)

Miscellaneous Revenues not Anticipated (Cont'd):

Revenue Accounts Receivable (Cont'd):

Tax Office:

Advertising and Certification Costs	\$ 44,816.07
Certificates of Redemption	2,250.00
Duplicate Bills	68.00
Interest on Municipal Assessments Receivable	7,173.31
Interest on Payment in Lieu of Taxes	7,071.89
Municipal Assessments Receivable	<u>40,652.99</u>

\$ 102,032.26

\$ 111,763.76

Treasurer:

Receipts:

Auction Sales -- Township Property	10,378.00
Board Up Charges	492.30
Confiscated Fund	992.10
Easements	24,000.00
FEMA Administrative Costs	6,360.70
Forfeiture of Bail	619.24
Forfeited Tax Sale Premium	3,000.00
Grass Cutting Charges	4,695.24
Insufficient Funds Fees	205.00
Miscellaneous Refunds	29,309.44
Premium on Bond Anticipation Notes	2,678.00
Premium on Tax Anticipation Notes	322.00
Sale of Scrap Metal	10,347.76
Senior Citizen and Veteran Deductions - Administrative Fee	8,087.27
Special Officer Badges	<u>45.00</u>

101,532.05

Due from Trust - Other Fund:

Collections made on behalf of Current Fund:

Miscellaneous Refunds 3,219.33

\$ 216,515.14

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

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS"						
General Government:						
Mayor and Township Committee						
Salaries and Wages	\$ 82,515.00	\$ 82,515.00	\$ 80,087.11		\$ 2,427.89	
Other Expenses	3,850.00	3,850.00	713.04	\$ 1,000.00	2,136.96	
Administrative and Executive						
Salaries and Wages	319,735.00	321,685.00	321,647.86		37.14	
Other Expenses	5,100.00	5,100.00	4,721.00	366.85	12.15	
Municipal Clerk's Office						
Salaries and Wages	139,200.00	123,900.00	123,832.38		67.62	
Other Expenses	35,500.00	35,500.00	31,659.33	3,344.02	496.65	
Data Processing Center						
Other Expenses	102,000.00	102,000.00	65,242.75	15,320.00	21,437.25	
Purchasing Department						
Salaries and Wages	71,160.00	62,360.00	62,329.67		30.33	
Other Expenses	18,150.00	18,150.00	15,493.41	1,384.51	1,272.08	
Financial Administration						
Salaries and Wages	298,900.00	298,900.00	298,653.79		246.21	
Other Expenses	76,700.00	76,700.00	70,330.68	208.94	6,160.38	
Assessment of Taxes						
Salaries and Wages	136,190.00	136,190.00	136,188.39		1.61	
Other Expenses	7,600.00	7,600.00	6,115.23	120.90	1,363.87	
Collection of Taxes						
Salaries and Wages	175,030.00	183,930.00	183,909.83		20.17	
Other Expenses	30,000.00	30,000.00	23,682.90	5,870.60	446.50	
Audit Services						
Other Expenses	115,000.00	105,000.00	105,000.00			
Human Resources						
Salaries and Wages	79,270.00	79,270.00	79,269.75		0.25	
Other Expenses	5,000.00	5,000.00	5,000.00			
Legal Services and Costs						
Salaries and Wages	8,875.00	5,775.00	5,709.68		65.32	
Other Expenses	210,000.00	266,450.00	262,153.86	750.00	3,546.14	
Engineering Services and Costs						
Salaries and Wages	134,330.00	134,330.00	134,327.74		2.26	
Other Expenses	900.00	900.00	728.14		171.86	
Public Buildings and Grounds						
Salaries and Wages	49,970.00	42,870.00	42,798.35		71.65	
Other Expenses	26,250.00	28,650.00	27,005.15	1,625.80	19.05	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
General Government (Cont'd):						
Municipal Prosecutor						
Salaries and Wages	\$ 65,360.00	\$ 65,360.00	\$ 65,359.84		\$ 0.16	
Municipal Court						
Salaries and Wages	525,800.00	490,800.00	490,701.74		98.26	
Other Expenses	50,200.00	50,200.00	40,298.29	\$ 3,594.73	6,306.98	
Maintenance of Township Owned Property						
Other Expenses	5,000.00	1,500.00	1,414.85		85.15	
Rent Leveling Board						
Other Expenses	1,620.00	1,620.00	350.00		1,270.00	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages	76,190.00	73,390.00	73,330.98		59.02	
Other Expenses	3,500.00	3,500.00	2,738.15	300.00	461.85	
Zoning Board						
Salaries and Wages	76,190.00	73,690.00	73,590.97		99.03	
Other Expenses	1,500.00	1,500.00	1,483.59		16.41	
Insurance:						
Employee Group Health	5,388,345.00	5,345,745.00	5,345,730.59		14.41	
General Liability	787,900.00	769,400.00	762,506.63	5,494.23	1,399.14	
Workers' Compensation	402,300.00	624,700.00	624,676.81		23.19	
Unemployment Insurance	45,000.00	45,000.00	44,108.20		891.80	
Economic Development						
Salaries and Wages	172,250.00	172,250.00	172,246.38		3.62	
Other Expenses	61,250.00	61,250.00	60,366.62	65.00	818.38	
Dog Warden						
Other Expenses	167,000.00	157,000.00	157,000.00			
Department of Public Safety:						
Fire Department						
Salaries and Wages	1,109,550.00	1,105,750.00	1,105,669.79		80.21	
Other Expenses:						
Fire Department	309,000.00	309,000.00	282,966.20	25,237.17	796.63	
Fire Hydrant Service	52,800.00	49,100.00	44,920.72	4,098.40	80.88	
Aid to Volunteer Fire Companies	42,500.00	42,500.00	42,500.00			

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Department of Public Safety (Cont'd):						
Police						
Salaries and Wages	\$ 8,877,500.00	\$ 8,792,000.00	\$ 8,791,952.26		\$ 47.74	
Other Expenses	302,400.00	302,400.00	271,305.79	\$ 18,624.29	12,469.92	
Police Communications						
Salaries and Wages	571,860.00	588,660.00	588,437.67		222.33	
Police Reserve						
Salaries and Wages	5,560.00	5,560.00	4,960.00		600.00	
Traffic Control						
Salaries and Wages	238,020.00	238,670.00	238,665.00		5.00	
Other Expenses	14,000.00	14,000.00	10,362.62	640.00	2,997.38	
First Aid Organization						
Salaries and Wages	1,262,870.00	1,249,570.00	1,249,549.35		20.65	
Other Expenses	112,000.00	112,000.00	96,053.45	12,437.80	3,508.75	
Emergency Management Services						
Salaries and Wages	4,430.00	4,430.00	4,428.12		1.88	
Other Expenses	500.00	500.00	150.00	150.00	200.00	
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Salaries and Wages	328,860.00	329,460.00	329,449.22		10.78	
Other Expenses	13,500.00	13,500.00	11,101.88	1,723.67	674.45	
Streets and Roads:						
Public Works						
Salaries and Wages	643,870.00	635,870.00	635,806.49		63.51	
Other Expenses	34,000.00	34,000.00	25,138.36	7,422.03	1,439.61	
Township Garage						
Salaries and Wages	249,955.00	252,505.00	252,462.00		43.00	
Other Expenses	128,500.00	128,500.00	112,880.54	11,505.05	4,114.41	
Street Lighting	683,600.00	683,600.00	607,735.42		75,864.58	
Health and Welfare:						
Senior Citizens of Pennsauken Township						
Salaries and Wages	21,275.00	21,275.00	21,271.98		3.02	
Other Expenses	14,550.00	14,550.00	5,790.66	5,867.95	2,891.39	
Utility Expenses:						
Motor Fuels	338,123.97	275,023.97	274,634.25	296.80	92.92	
Electricity	253,000.00	253,000.00	243,225.81	1,249.69	8,524.50	
Telephone	98,300.00	98,300.00	91,491.28	5,417.93	1,390.79	
Natural Gas or Propane	74,500.00	57,000.00	18,562.72	1,468.28	36,969.00	
Sewerage Authority	5,325.00	5,325.00	3,181.45		2,143.55	

(Continued)



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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Recreation and Education:						
Recreation						
Salaries and Wages	\$ 92,470.00	\$ 92,770.00	\$ 92,769.86		\$ 0.14	
Other Expenses	18,800.00	18,800.00	15,339.60	\$ 2,587.27	873.13	
Swimming Pool						
Salaries and Wages	38,820.00	46,145.00	46,136.34		8.66	
Other Expenses	20,000.00	20,000.00	18,274.71	133.52	1,591.77	
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	32,500.00	32,625.00	31,369.19	1,244.31	11.50	
Shade Tree Commission						
Other Expenses	500.00	500.00	500.00			
Historical Preservation						
Other Expenses	12,000.00	12,000.00	10,279.75	720.66	999.59	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Official						
Salaries and Wages	414,690.00	414,690.00	414,686.77		3.23	
Other Expenses	315,000.00	366,500.00	365,864.21	585.00	50.79	
Unclassified:						
Sick Pay	36,005.00	37,205.00	37,188.91		16.09	
<b>Total Operations within "CAPS"</b>	<b>26,731,763.97</b>	<b>26,750,813.97</b>	<b>26,399,566.05</b>	<b>140,855.40</b>	<b>210,392.52</b>	<b>-</b>
Detail:						
Salaries and Wages	16,306,700.00	16,161,775.00	16,157,418.22	-	4,356.78	-
Other Expenses (Including Contingent)	10,425,063.97	10,589,038.97	10,242,147.83	140,855.40	206,035.74	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
MUNICIPAL -- WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System-ERI Liability	957,575.78	957,575.78	957,575.78			
Social Security System (O.A.S.I.)	616,750.00	630,500.00	630,248.31		251.69	
Police and Fireman's Retirement System of N.J.	2,069,378.90	2,018,778.90	2,018,696.98		81.92	
<b>Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"</b>	<b>3,643,704.68</b>	<b>3,606,854.68</b>	<b>3,606,521.07</b>	<b>-</b>	<b>333.61</b>	<b>-</b>

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Total General Appropriations for Municipal Purposes -- Within "CAPS"	\$ 30,375,468.65	\$ 30,357,668.65	\$ 30,006,087.12	\$ 140,855.40	\$ 210,726.13	-
OPERATIONS -- EXCLUDED FROM "CAPS"						
Employee Group Health						
Maintenance of Free Public Library (P.L. 1985, Ch. 82 & 541)	888,297.88	888,297.88	888,297.88			
Total Other Operations Excluded from "CAPS"	888,297.88	888,297.88	888,297.88	-	-	-
Public and Private Programs Off-Set by Revenues:						
Drunk Driving Enforcement						
Police						
Salaries and Wages (N.J.S. 40A:4-87. \$35,032.06+)		35,032.06	35,032.06			
Body Armor Replacement Fund						
Police						
Other Expenses	8,083.47	8,083.47	8,083.47			
Camden County DWI Checkpoint Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87. \$3,000.00+)		3,000.00	3,000.00			
Green Communities Grant Program						
Other Expenses (N.J.S. 40A:4-87. \$3,000.00+)		3,000.00	3,000.00			
Municipal Court Alcohol, Education and Rehabilitation Grant						
Municipal Court						
Other Expense (N.J.S. 40A:4-87. \$7,787.60+)		7,787.60	7,787.60			
Municipal Alliance on Alcoholism and Drug Abuse						
Other Expenses (N.J.S. 40A:4-87. \$29,528.00+)		29,528.00	29,528.00			
New Jersey Division of Highway Safety Traffic:						
"Click it Or Ticket 2012" Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$4,000.00+)		4,000.00	4,000.00			
Drive Sober or Get Pulled Over						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$9,000.00+)		9,000.00	9,000.00			
Pedestrian Safety and Education Enforcement Grant						
Police						
Other Expenses (N.J.S. 40A:4-87, \$19,000.00+)		19,000.00	19,000.00			

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Paid or Charged Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
OPERATIONS -- EXCLUDED FROM "CAPS" (CONT'D)						
Public and Private Programs Off-Set by Revenues (Cont'd):						
Justice Assisstance Grant (JAG)						
Police						
Other Expenses (N.J.S. 40A:4-87. \$13,266.00+)		\$ 13,266.00	\$ 13,266.00			
Camden County Recreation Facilities						
Enhancement Grant						
Other Expenses (N.J.S. 40A:4-87. \$25,000.00+)		25,000.00	25,000.00			
Emergency Management Assisstance Grant						
Emergency Management						
Salaries and Wages (N.J.S. 40A:4-87. \$5,000.00+)		5,000.00	5,000.00			
<b>Total Public and Private Programs Offset by Revenues</b>	<b>\$ 8,083.47</b>	<b>161,788.13</b>	<b>161,788.13</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operations - Excluded from "CAPS"</b>	<b>896,381.35</b>	<b>1,050,086.01</b>	<b>1,050,086.01</b>	<b>-</b>	<b>-</b>	<b>-</b>
Detail:						
Salaries and Wages		56,032.06	56,032.06	-	-	-
Other Expenses	896,381.35	994,053.95	994,053.95	-	-	-
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	112,500.00	130,000.00	130,000.00			
<b>Total Capital Improvement Program -- Excluded from "CAPS"</b>	<b>112,500.00</b>	<b>130,000.00</b>	<b>130,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"						
Payment of Bond Principal	1,820,000.00	1,820,000.00	1,820,000.00			
Interest on Bonds	856,300.00	856,375.00	856,369.01			\$ 5.99
Interest on Notes	19,350.00	19,575.00	19,555.55			19.45
<b>Total Municipal Debt Service -- Excluded from "CAPS"</b>	<b>2,695,650.00</b>	<b>2,695,950.00</b>	<b>2,695,924.56</b>	<b>-</b>	<b>-</b>	<b>25.44</b>
<b>Total General Appropriations for Municipal Purposes Excluded from "CAPS"</b>	<b>3,704,531.35</b>	<b>3,876,036.01</b>	<b>3,876,010.57</b>	<b>-</b>	<b>-</b>	<b>25.44</b>
Subtotal General Appropriations	34,080,000.00	34,233,704.66	33,882,097.69	\$ 140,855.40	\$ 210,726.13	25.44
Reserve for Uncollected Taxes	2,595,000.00	2,595,000.00	2,595,000.00	-	-	-

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Total General Appropriations	\$ 36,675,000.00	\$ 36,828,704.66	\$ 36,477,097.69	\$ 140,855.40	\$ 210,726.13	\$ 25.44
Appropriated by 40A:4-87 Budget		\$ 153,704.66 <u>36,675,000.00</u>				
		<u>\$ 36,828,704.66</u>				
Refunds:						
Receipts			\$ (1,814,183.19)			
Disbursements			32,223,535.55			
Reserve for Federal and State Grants -- Appropriated			161,788.13			
Reserve for Uncollected Taxes			2,595,000.00			
Due Animal Control Fund			157,000.00			
Due Trust - Other Fund			3,023,421.49			
Due General Capital Fund			130,000.00			
Due Golf Course Utility Operating Fund			535.71			
			<u>\$ 36,477,097.69</u>			

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

**TOWNSHIP OF PENNSAUKEN**  
**TRUST FUNDS**  
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis  
 As of December 31, 2012 and 2011

ASSETS:	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<b>Animal Control Fund:</b>			
Cash	SB-1	\$ 20,870.38	\$ 659.66
Due from Bank	SB-1	38.00	
Miscellaneous Accounts Receivable	SB-2	6,366.54	4,177.27
Deferred Charge -- Deficit in Reserve for Animal Control Expenditures	SB-3	5,969.78	23,163.07
Total Animal Control Fund		<u>33,244.70</u>	<u>28,000.00</u>
<b>Other Funds:</b>			
Cash	SB-1	442,309.78	455,247.66
Community Development Block Grant Receivable	SB-7	211,002.18	207,453.38
Due from Current Fund	SB-8	1,243.66	66,682.95
Total Other Funds		<u>654,555.62</u>	<u>729,383.99</u>
<b>Total Assets</b>		<u><u>\$ 687,800.32</u></u>	<u><u>\$ 757,383.99</u></u>
<b>LIABILITIES AND RESERVES:</b>			
<b>Animal Control Fund:</b>			
Due to Township of Pennsauken Garbage District	SB-1	\$ 5,235.70	
Due to General Capital Fund	C	28,000.00	\$ 28,000.00
Due to State of New Jersey	SB-5	9.00	
Total Animal Control Fund		<u>33,244.70</u>	<u>28,000.00</u>
<b>Other Funds:</b>			
Due to Estate of Roland Frederick Kuehne	B	6,443.65	6,443.65
Due to Bank	SB-9	84.22	86.22
Reserve for Payroll Deductions Payable	SB-10	157,719.37	131,030.69
Reserve for Economic Development -- Urban Development Action Grant	SB-11	1,816.75	5,338.28
Reserve Community Development Block Grant	SB-12	133,942.29	206,405.22
<b>Miscellaneous Trust Reserves:</b>			
Reserve for Street Opening Deposits	SB-13	3,200.00	1,700.00
Reserve for Escrow Deposits	SB-13	31,098.37	77,676.22
Reserve for Unemployment Compensation Insurance	SB-13	1,830.27	987.56
Reserve for Parking Offense Adjudication Act	SB-13	4,312.21	3,756.21
Reserve for Public Defender	SB-13	215.36	1,346.73
Reserve for Planning and Zoning Deposits	SB-13	128,872.93	124,469.40
Reserve for Special Law Enforcement Officers:			
State Allocation	SB-13	44,490.18	23,963.86
Federal Allocation	SB-13	2,351.51	8,912.27
Reserve for Housing Trust	SB-13	137,777.76	137,267.68
Reserve for Worker's Compensation Insurance	SB-13	400.75	
Total Other Funds		<u>654,555.62</u>	<u>729,383.99</u>
<b>Total Liabilities and Reserves</b>		<u><u>\$ 687,800.32</u></u>	<u><u>\$ 757,383.99</u></u>

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

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

ASSETS:	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Cash	SC-1, SC-2	\$ 81,547.88	\$ 278,440.59
Deferred Charges to Future Taxation:			
Funded	SC-3	23,505,000.00	25,325,000.00
Unfunded	SC-4	3,828,250.00	4,500.00
Due from State of New Jersey:			
Transportation Trust Fund Grant Receivable	SC-5	102,041.25	52,825.42
Due from Current Fund	SC-6	1,954,993.37	793,409.20
Due from Animal Control Fund	C	28,000.00	28,000.00
<b>Total Assets</b>		<b><u>\$ 29,499,832.50</u></b>	<b><u>\$ 26,482,175.21</u></b>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Reserve for Payment of Bonds	SC-7	96,842.00	42.00
Improvement Authorizations:			
Funded	SC-8	217,408.70	\$ 919,002.13
Unfunded	SC-8	673,045.68	4,500.00
Contracts Payable	SC-9	1,182,237.12	220,832.08
Capital Improvement Fund	SC-10	221.90	12,721.90
Bond Anticipation Notes	SC-11	3,825,000.00	
General Serial Bonds	SC-12	23,505,000.00	25,325,000.00
Fund Balance	C	77.10	77.10
<b>Total Liabilities, Reserves and Fund Balance</b>		<b><u>\$ 29,499,832.50</u></b>	<b><u>\$ 26,482,175.21</u></b>

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

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2012 and 2011

ASSETS:	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Operating Fund:			
Cash	SD-1	\$ 197,049.14	\$ 56,533.84
Cash -- Change Fund	SD-3	800.00	800.00
Due from Bank	SD-5	95.61	
Due from Current Fund	SD-6	816.11	1,237.42
		<u>198,760.86</u>	<u>1,237.42</u>
Total Operating Fund		<u>198,760.86</u>	<u>58,571.26</u>
Capital Fund:			
Cash	SD-1, SD-2	1,256.44	796.16
Fixed Capital	SD-7	5,917,936.53	5,917,936.53
Fixed Capital Authorized and Uncompleted	SD-8	460,000.00	460,000.00
Due from Golf Course Utility Operating Fund	SD-9	2,296.44	22,800.84
		<u>6,381,489.41</u>	<u>6,401,533.53</u>
Total Capital Fund		<u>6,381,489.41</u>	<u>6,401,533.53</u>
Total Assets		<u>\$ 6,580,250.27</u>	<u>\$ 6,460,104.79</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
	<u>Ref.</u>		
Operating Fund:			
Appropriation Reserves	D-3, SD-10	\$ 1,409.78	\$ 8,437.42
Reserve for Encumbrances	D-3, SD-10	4,919.96	4,775.27
Due to Golf Course Utility Capital Fund	SD-9	2,296.44	22,800.84
Accrued Interest on Bonds and Notes	SD-11	8,021.92	8,648.63
		<u>16,648.10</u>	<u>44,662.16</u>
Fund Balance	D-1	182,112.76	13,909.10
Total Operating Fund		<u>198,760.86</u>	<u>58,571.26</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-12	485.30	20,529.42
Reserve for Amortization	SD-13	5,737,936.53	5,687,936.53
Serial Bonds	SD-14	640,000.00	690,000.00
Capital Improvement Fund	D	3,029.00	3,029.00
Reserve for Preliminary Expenses	D	38.58	38.58
		<u>6,381,489.41</u>	<u>6,401,533.53</u>
Total Capital Fund		<u>6,381,489.41</u>	<u>6,401,533.53</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 6,580,250.27</u>	<u>\$ 6,460,104.79</u>

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

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 As of December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 9,085.00	\$ 35,337.41
Playing Fees	955,812.00	870,914.00
Equipment Rental Fees	453,275.00	396,979.00
Miscellaneous	204,407.57	203,031.42
Capital Fund Balance		2,367.59
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>9,704.88</u>	<u>9,339.14</u>
Total Income	<u>1,632,284.45</u>	<u>1,517,968.56</u>
<u>Expenditures</u>		
Operating	1,330,960.00	1,396,450.00
Debt Service	76,610.79	63,717.12
Deferred Charges and Statutory Expenditures	<u>47,425.00</u>	<u>47,800.00</u>
Total Expenditures	<u>1,454,995.79</u>	<u>1,507,967.12</u>
Excess in Revenue	177,288.66	10,001.44
<u>Fund Balance</u>		
Balance January 1	<u>13,909.10</u>	<u>39,245.07</u>
Decreased by:	191,197.76	49,246.51
Utilized as Revenue in Golf Course Utility Operating Budget	<u>9,085.00</u>	<u>35,337.41</u>
Balance December 31	<u>\$ 182,112.76</u>	<u>\$ 13,909.10</u>

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



**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 9,085.00	\$ 9,085.00	-
Playing Fees	870,910.00	955,812.00	\$ 84,902.00
Equipment Rental Fees	396,975.00	453,275.00	56,300.00
Miscellaneous	178,030.00	204,407.57	26,377.57
	<u>1,445,915.00</u>	<u>1,613,494.57</u>	<u>167,579.57</u>
	<u>\$ 1,455,000.00</u>	<u>\$ 1,622,579.57</u>	<u>\$ 167,579.57</u>
 <u>Analysis of Realized Revenues:</u>			
Playing Fees:			
Greens Fees		\$ 770,170.00	
Golf Memberships		<u>185,642.00</u>	
			<u>\$ 955,812.00</u>
 Equipment Rental Fees:			
Gas Carts		\$ 450,371.00	
Hand Carts		404.00	
Locker Rental		<u>2,500.00</u>	
			<u>\$ 453,275.00</u>
 Miscellaneous:			
Due from Vendor -- Concessionaire Lease			
Receipts:			
Concessionaire Lease	\$ 171,600.00		
Interest on Investments and Deposits	1,221.16		
Miscellaneous	<u>31,582.01</u>		
		<u>\$ 204,403.17</u>	
 Due from Golf Course Utility Capital Fund:			
Interest on Investments and Deposits			<u>4.40</u>
			<u>\$ 204,407.57</u>

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

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Appropriations</u>		<u>Expended</u>	<u>Paid or Charged</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 613,200.00	\$ 627,900.00	\$ 627,877.51		\$ 22.49	
Other Expenses	533,285.00	528,060.00	521,768.84	\$ 4,919.96	1,371.20	
Payment in Lieu of Taxes -- Current Fund	<u>185,000.00</u>	<u>175,000.00</u>	<u>175,000.00</u>			
Total Operating	<u>1,331,485.00</u>	<u>1,330,960.00</u>	<u>1,324,646.35</u>	<u>4,919.96</u>	<u>1,393.69</u>	<u>-</u>
Debt Service:						
Payment of Bond Principal	50,000.00	50,000.00	50,000.00			
Interest on Bonds	<u>26,615.00</u>	<u>26,615.00</u>	<u>26,610.79</u>			<u>\$ 4.21</u>
Total Debt Service	<u>76,615.00</u>	<u>76,615.00</u>	<u>76,610.79</u>	<u>-</u>	<u>-</u>	<u>4.21</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	<u>46,900.00</u>	<u>47,425.00</u>	<u>47,408.91</u>	<u>-</u>	<u>16.09</u>	<u>-</u>
Total Utility Appropriations	<u>\$ 1,455,000.00</u>	<u>\$ 1,455,000.00</u>	<u>\$ 1,448,666.05</u>	<u>\$ 4,919.96</u>	<u>\$ 1,409.78</u>	<u>\$ 4.21</u>
Refunds:						
Receipts			\$ (54,884.37)			
Disbursements			1,249,076.41			
Interest on Bonds			26,610.79			
Due Current Fund			<u>227,863.22</u>			
			<u>\$ 1,448,666.05</u>			

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

**TOWNSHIP OF PENNSAUKEN**  
 GENERAL FIXED ASSETS GROUP OF ACCOUNTS  
 Statement of General Fixed Asset Group of Accounts  
 For the Year Ended December 31, 2012

<u>Fixed Assets</u>	<u>Balance</u> <u>December 31, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance</u> <u>December 31, 2012</u>
Land and Buildings (at Assessed Valuation)	\$ 24,847,600.00	\$ 625,000.00			\$ 25,472,600.00
Computers and Computer Equipment	114,056.00			\$ 94,877.52	208,933.52
Furniture and Equipment	8,608,652.85	2,314,944.00	\$ 7,650.00	(164,563.57)	10,751,383.28
Vehicles	8,848,643.15	216,690.00	33,805.00	69,686.05	9,101,214.20
<b>Total Fixed Assets</b>	<b>\$ 42,418,952.00</b>	<b>\$ 3,156,634.00</b>	<b>\$ 41,455.00</b>	<b>-</b>	<b>\$ 45,534,131.00</b>
<b>Total Investment in Fixed Assets</b>	<b>\$ 42,418,952.00</b>	<b>\$ 3,156,634.00</b>	<b>\$ 41,455.00</b>	<b>-</b>	<b>\$ 45,534,131.00</b>

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

**TOWNSHIP OF PENNSAUKEN**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2012**

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

**Description of Financial Reporting Entity** - The Township of Pennsauken, incorporated in 1892, is approximately twelve square miles in area and lies adjacent to the City of Camden. Prominently located in the Delaware Valley area, the Township has approximately two miles of frontage along the Delaware River directly across from the City of Philadelphia. The population according to the 2010 census is 35,885. The Township provides to its citizens the following services: public safety, recreation, public improvements, planning and zoning, and general administration.

The Township operates under a Committee form of government headed by a Mayor who is elected annually on the motion of the Committee. Committee members are elected to three-year terms and elections are held in alternating years. Executive and legislative responsibility of the Township rests with the Committee. The Township Administrator, appointed by the Committee on an annual basis, oversees the daily operations of the Township.

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

Pennsauken Sewerage Authority  
1250 John Tipton Blvd.  
Pennsauken, New Jersey 08110

Pennsauken Free Public Library  
5605 N. Crescent Blvd.  
Pennsauken, New Jersey 08110

Pennsauken Garbage District  
5605 N. Crescent Blvd.  
Pennsauken, New Jersey 08110

Pennsauken Housing Authority  
5605 N. Crescent Blvd.  
Pennsauken, New Jersey 08110

Merchantville - Pennsauken Water Commission  
20 W. Maple Ave.  
Merchantville, NJ 08109

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

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

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the Township of Pennsauken 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 Pennsauken accounts for its financial transactions through the use of separate funds which are described as follows:

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

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

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

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

**Budgets and Budgetary Accounting** - The Township of Pennsauken must adopt an annual budget for its current and golf course 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.

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

**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.

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 Pennsauken 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

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

**General Fixed Assets (Cont'd)** - 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.

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

**Foreclosed Property** - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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

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

**Fund Balance** - Fund Balances included in the current fund and utility operating 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 Camden, Township of Pennsauken School District and the Township of Pennsauken Garbage 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 Pennsauken 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 Camden. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Garbage District Taxes** - The municipality is responsible for levying, collecting, and remitting Garbage District Taxes for the Township of Pennsauken Garbage District. Operations are charged for the full amount required to be raised by taxation to support the district for the 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. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2012, the Township's bank balances of \$10,441,931.20 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$30,846.93
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**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's deposits with the New Jersey Cash Management Fund are \$5,843.86.

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	<u>\$ 5.304</u>	<u>\$ 5.190</u>	<u>\$ 5.004</u>	<u>\$ 4.825</u>	<u>\$ 4.697</u>
Apportionment of Tax Rate:					
Municipal	\$1.359	\$1.323	\$1.322	\$1.210	\$1.141
Municipal Library	0.056	0.057			
County	1.219	1.164	1.080	1.084	1.045
Local School	2.406	2.387	2.348	2.277	2.265
Special District Tax:					
Garbage District	.264	.259	.254	.254	.246

Note 3: PROPERTY TAXES (CONT'D)Assessed Valuation

2012	\$ 1,539,119,253.00
2011	1,552,450,010.00
2010	1,565,842,650.00
2009	1,602,108,438.00
2008	1,610,507,618.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$ 81,710,617.32	\$ 78,529,131.18	96.11%
2011	80,641,346.33	78,055,255.52	96.79%
2010	78,485,265.60	75,959,863.65	96.78%
2009	77,500,651.89	74,779,547.49	96.49%
2008	75,762,722.43	73,291,046.10	96.74%

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	\$ 266,874.61	\$ 2,858,719.39	\$ 3,125,594.00	3.83%
2011	238,584.04	2,270,448.48	2,509,032.52	3.11%
2010	191,485.48	2,355,227.38	2,546,712.86	3.24%
2009	109,818.77	2,318,656.85	2,428,475.62	3.13%
2008	107,698.92	2,488,647.05	2,596,345.97	3.43%

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

<u>Year</u>	<u>Number</u>
2012	49
2011	36
2010	41
2009	25
2008	15

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	\$ 2,550,800.00
2011	2,550,800.00
2010	2,532,000.00
2009	2,642,000.00
2008	2,732,000.00

Note 5: **MUNICIPAL ASSESSMENTS RECEIVABLE**

When owners do not maintain their properties in accordance with Township ordinances, assessments are imposed for the maintenance of the property. The balance due for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 38,199.84
2011	53,857.08
2010	45,047.89
2009	31,686.89
2008	36,258.89

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>
<b><u>Current Fund</u></b>			
2012	\$ 238,144.28	\$ 115,000.00	48.29%
2011	738,144.28	500,000.00	67.74%
2010	810,924.18	750,000.00	92.49%
2009	978,504.03	750,000.00	76.65%
2008	2,478,504.03	1,500,000.00	60.52%
<b><u>Golf Course Utility Operating Fund</u></b>			
2012	\$ 182,112.76	\$ 75,000.00	41.18%
2011	13,909.10	9,085.00	65.32%
2010	39,245.07	35,337.41	90.04%
2009	41,586.81	36,930.00	88.80%
2008	64,756.01	60,000.00	92.66%

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	\$ 17,462.88	\$ 1,957,053.14
Federal and State Grant		17,462.88
Animal Control		28,000.00
Trust - Other	1,243.66	
General Capital	1,982,993.37	
Golf Course Utility Operating	816.11	2,296.44
Golf Course Utility Capital	2,296.44	
	<u>\$ 2,004,812.46</u>	<u>\$ 2,004,812.46</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 Pennsauken 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 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 increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of

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

surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

**Public Employees Retirement System**

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Township</u>
2012	\$ 315,268.00	\$ 529,356.00	\$ 844,624.00	\$ 844,624.00
2011	373,443.00	497,135.00	870,578.00	870,578.00
2010	349,879.00	341,383.00	691,262.00	691,262.00

**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 will be 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:

**Police and Firement's Retirement System**

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Township</u>
2012	\$ 1,011,708.00	\$ 191,266.00	\$ 1,202,974.00	\$ 1,202,974.00
2011	1,353,713.00	1,006,570.00	2,360,283.00	2,360,283.00
2010	1,185,428.00	776,900.00	1,962,328.00	1,962,328.00

**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.

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

At December 31, 2012, the Township does not have participants in this program.

**Early Retirement Incentive Program** – Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These programs, which were subject to the approval of the Township's governing body, were available to employees who met certain minimum requirements. The Township participates in three Early Retirement Incentive Programs, ERIP 1, 2 and 4. Under each of these programs, there is an accrued liability. Under Program 1, the accrued liability as of December 31, 2012 was \$47,349.00 payable in annual installments of \$5,261.00 with the last installment due on April 1, 2021. For Program 2, the accrued liability as of December 31, 2012 was \$127,554.00 payable in annual installments of \$6,074.00 with the last installment due on April 1, 2033. For Program 4, the accrued liability as of December 31, 2012 was \$84,006.00 payable in annual installments of \$89,334.00 with the last installment due on April 1, 2021.

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

**Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

**Plan Description** - The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Several years ago, the Township authorized participation in the SHBP's post-retirement benefit program through a resolution adopted by the governing body.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/](http://www.state.nj.us/treasury/pensions/).

**Funding Policy** - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township pays the required premiums on a current basis with no cost sharing component required on behalf of the participating retirees.

**Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)**

The Township contributions to SHBP for the years ended December 31, 2012, 2011, and 2010, were \$60,334.56, \$62,449.48, and \$60,307.15, respectively, which equaled the required contributions for each year. There were six retired participants eligible at December 31, 2012, 2011, and 2010.

In addition to the benefits described above, the Township provides post-employment health care benefits, at its cost, to certain police officers and firefighters under a separate plan. This entitlement requires that police officers retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Fraternal Order of Police, Garden State Lodge No. 3 and have served at least twenty-five years as a police officer in any capacity and in any jurisdiction in which that service is eligible for credit in the Police and Firemen's Pension System. The entitlement for firefighters requires that they retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Firemen's Mutual Benevolent Association, Local No. 64 and have served at least twenty-five years as a firefighter in the Township. The health care benefits will be in a form consistent with that provided to all active members of the Township Police and Fire Department whose service is covered by any collective bargaining agreement between the Township and the Fraternal Order of Police, Garden State Lodge No. 3 or the Firemen's Mutual Benevolent Association, Local No. 64.

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2012, there were one hundred and thirteen retired employees who received this benefit resulting in the payment of \$2,076,567.67 in related health care premiums.

**Note 10: COMPENSATED ABSENCES**

Non-uniformed Township employees are entitled to fifteen paid sick leave days each year and uniformed employees are entitled to seventeen paid sick leave days each year. Police and fire employees are entitled to seventeen paid sick leave days each year. Unused sick leave may be accumulated and carried forward. Vacation days not used during the year may be accumulated and carried forward; however, only a maximum of one's year unused vacation days may be carried forward. All full-time employees are entitled to three personal holidays, plus fourteen or thirteen holidays depending upon whether they are uniformed or non-uniformed employees respectively. All police and fire employees may carry forward an unlimited number of unused vacation days and holidays but are compensated for a maximum of one hundred upon termination.

Permanent part-time employees are entitled to compensated absences; however, regular part-time employees are not entitled to compensated absences.

The Township compensates employees with more than thirty years of service for one half of their unused sick leave upon termination or retirement. Employees with less than thirty-five years of service are not compensated.

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 \$1,981,719.11.

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) 2008 Chevrolet Impala  
 One (1) 2008 Ford Explorer

The following is an analysis of capital and operating leases.

Capital Leases - The following capital fixed assets were acquired by capital lease.

	<b><u>Balance</u></b>	
	<b><u>Dec. 31, 2012</u></b>	<b><u>Dec. 31, 2011</u></b>
Vehicles	<u>-</u>	<u>\$ 87,684.20</u>

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

<b><u>Year</u></b>	<b><u>Amount</u></b>
2013	\$ 8,388.00

Rental payments under operating leases for the year 2012 were \$8,388.00.



Note 13: **CAPITAL DEBT**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$ 27,330,000.00	\$ 25,325,000.00	\$ 24,797,000.00
Water Utility:			
Bonds and Notes (Note A)	7,651,255.82	8,425,085.55	8,971,239.00
Golf Course Utility:			
Bonds and Notes	<u>640,000.00</u>	<u>690,000.00</u>	<u>725,000.00</u>
 Total Issued	 <u>35,621,255.82</u>	 <u>34,440,085.55</u>	 <u>34,493,239.00</u>
Deductions:			
Funds Temporarily Held to Pay Notes -- General	96,842.00	42.00	
Self-liquidating Debt	<u>8,291,255.82</u>	<u>9,115,085.55</u>	<u>9,696,239.00</u>
 Total Deductions	 <u>8,388,097.82</u>	 <u>9,115,127.55</u>	 <u>9,696,239.00</u>
 Net Debt Issued	 <u>27,233,158.00</u>	 <u>25,324,958.00</u>	 <u>24,797,000.00</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	<u>3,250.00</u>	<u>4,500.00</u>	<u>2,000.00</u>
	<u>\$ 27,236,408.00</u>	<u>\$ 25,329,458.00</u>	<u>\$ 24,799,000.00</u>

Note A - The Water Utility represents the Township of Pennsauken's share of the debt of the Merchantville-Pennsauken Water Commission. The Commission is jointly owned by the Township of Pennsauken and the Borough of Merchantville.

**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 1.062%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 22,905,000.00	\$ 22,905,000.00	
Water Utility Debt (Note A)	7,651,255.82	7,651,255.82	
Golf Course Utility	640,000.00	640,000.00	
General	<u>27,333,250.00</u>	<u>96,842.00</u>	<u>\$ 27,236,408.00</u>
	<u>\$ 58,529,505.82</u>	<u>\$ 31,293,097.82</u>	<u>\$ 27,236,408.00</u>

Net Debt \$27,236,408.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$2,564,278,617.67 equals 1.062%

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)	\$ 89,749,751.62
Net Debt	<u>27,236,408.00</u>
Remaining Borrowing Power	<u><u>\$ 62,513,343.62</u></u>

**Calculation of "Self-Liquidating Purpose,"  
Golf Course 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	\$ 1,622,579.57
Deductions:	
Operating and Maintenance Cost	\$ 1,378,385.00
Debt Service	77,237.50
Total Deductions	<u>1,455,622.50</u>
Excess in Revenue	<u><u>\$ 166,957.07</u></u>

**Calculation of "Self-Liquidating Purpose,"  
Merchantville - Pennsauken Water Commission 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	\$ 7,336,613.25
Deductions:	
Operating and Maintenance Cost	\$ 5,790,715.99
Debt Service	<u>944,238.95</u>
Total Deductions	<u>6,734,954.94</u>
Excess in Revenue	<u><u>\$ 601,658.31</u></u>

Note 13: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding**

<u>Year</u>	<u>General</u>		<u>Golf Course Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2013	\$ 1,885,000.00	\$ 811,206.26	\$ 45,000.00	\$ 25,362.50	\$ 2,766,568.76
2014	1,940,000.00	747,768.76	50,000.00	23,675.00	2,761,443.76
2015	2,015,000.00	682,393.76	40,000.00	21,800.00	2,759,193.76
2016	2,085,000.00	610,793.76	40,000.00	20,200.00	2,755,993.76
2017	1,565,000.00	536,543.76	60,000.00	18,600.00	2,180,143.76
2018-2022	8,735,000.00	1,868,618.80	330,000.00	55,600.00	10,989,218.80
2023-2026	5,280,000.00	438,743.76	75,000.00	3,000.00	5,796,743.76

Note 14: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	<u>Balance Dec. 31, 2012</u>	<u>2013 Budget Appropriation</u>
Current Fund:		
Deficit in Operations	\$ 116,952.02	\$ 116,952.02
Animal Control Fund:		
Deficit in Reserve for Animal Control Expenditures	5,969.78	5,969.78

The appropriations in the 2013 Budget as adopted are not less than that required by the statutes.

Note 15: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Amounts Reimbursed</u>	<u>Ending Balance</u>
2012	\$ 62,239.32	\$ 61,396.61	\$ 1,830.27
2011	67,009.99	67,524.46	987.56
2010	76,055.37	74,553.34	1,502.03

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2012 are \$10,042.60.

**Note 16: RISK MANAGEMENT**

The Township has adopted a plan of self-insurance for workers' compensation insurance and has established the Reserve for Workers' Compensation in the Trust-- Other Fund to account for and finance its related uninsured risks of loss up to \$500,000.00 per any one accident. Scibal Associates acts as administrator of the plan. The Township purchases commercial insurance for claims in excess of \$500,000.00. Settled claims have not exceeded this commercial coverage in any of the past three years.

At December 31, 2012, there is a balance of \$400.75 in the reserve. Any additional funds required for claims will be paid and charged to the 2013 or future budgets.

**Note 17: REDEVELOPMENT ZONES**

Industrial operations in the Township cover a broad spectrum of activities, including warehousing, light manufacturing from raw materials, assembly operations, transportation and a limited number of heavy industrial uses such as metal and aluminum extruding and oil and gasoline storage facilities.

The Township has recently created five redevelopment zones. One encompasses Waterfront properties with more than 700 acres of underused industrial property. The Township is uniquely situated on an urban waterfront which mirrors a growing international trend. Communities across the country and around the world are rediscovering and capitalizing on the potential of urban waterfronts. The Township is in the process of investigating various alternatives from interested parties to either oversee the entire redevelopment process or possibly divide the parcels for independent development to best utilize this unique environment. Substantial studies, planning and testing have already been conducted to facilitate the redevelopment effort. The New Jersey Department of Environmental Protection and the Township have executed a Brownfield's Development Area Initiative Memorandum of Understanding to promote environmental protection for the waterfront development area and foster neighborhood revitalization.

The other development sites are along the Route 130, Route 73 and Westfield Avenue corridors. The mission is to redevelop an old retail complex into a mixed use development, creating a unique South Jersey destination, along with maximizing the Township's business district.

**Note 18: INTERGOVERNMENTAL SERVICE AGREEMENTS**

**Pennsauken Sewerage Authority** - The Township has entered into a service agreement with the Pennsauken Sewerage Authority, a component unit of the Township, whereby the Township has agreed to pay any shortfall the Authority may encounter in making payments for either operating expenses or debt service requirements. Should the Township make any payments in accordance with this agreement, the Authority would be required to repay any amounts advanced by the Township plus interest at a rate of 1% per year above the highest rate paid by the Authority on any outstanding bonds.

**Pennsauken Housing Authority** - The Township has entered into a debt service agreement with the Pennsauken Housing Authority, a component unit of the Township. This agreement obligates the Township to advance payment for any debt service deficiency of the Authority. The Authority is obligated, by the agreement, to repay to the Township all advances paid on their behalf, upon the financial ability to do so.

Note 18: **INTERGOVERNMENTAL SERVICE AGREEMENTS (CONT'D)**

**Merchantville - Pennsauken Water Commission** - The Township has entered into a service agreement with the Merchantville - Pennsauken Water Commission, which is a component unit of the Township of Pennsauken and the Borough of Merchantville. Both municipalities act as guarantors of all Commission bonds and loans in accordance with the following percentages:

Township of Pennsauken	88.42%
Borough of Merchantville	11.58%

No payments were required to be made by the Township relative to any intergovernmental service agreements during the year 2012.

Note 19: **LITIGATION**

The Township is a defendant in some 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, the Township of Pennsauken authorized additional Bonds and Notes as follows:

	<b><u>Purpose</u></b>	<b><u>Date</u></b>	<b><u>Amount</u></b>
General Capital:			
Bonds and Notes:			
Various Capital Improvements and Acquisition Of Equipment		March 20, 2013	\$2,295,375.00
Golf Course Utility Capital:			
Various Capital Improvements and Acquisition Of Equipment		January 23, 2013	<u>325,000.00</u>
			<u><u>\$2,620,375.00</u></u>

On June 26, 2013, the Township of Pennsauken authorized a special emergency to fund the cost of severance liabilities that resulted from the retirement or layoff of certain employees in 2013. The authorization included the issuance of up to \$800,000 of Special Emergency Notes.

**SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2012

	<u>Regular</u>	<u>Federal and State Grant</u>
Balance December 31, 2011	\$ 6,164,243.31	-
Increased by Receipts:		
Refund of Prior Year Expenditures	\$ 28,930.37	
Miscellaneous Revenue not Anticipated	101,532.05	
2012 Appropriation Refunds	1,814,183.19	
2011 Appropriation Reserves Refunds	104,061.27	
Tax Collector	80,626,911.13	
Petty Cash Funds	1,750.00	
Reserve for Election Expenses		
Protested Checks	4,845.00	
Revenue Accounts Receivable	11,517,466.66	
Due Township of Pennsauken Library	2,353.60	
Due Pennsauken Housing Authority	7,296.19	
Due Pennsauken Garbage District	2,356,892.06	
Due State of New Jersey -- Veteran and Senior Citizen Deductions	404,363.69	
Due State of New Jersey -- Training Fees Surcharge	37,072.00	
Due State of New Jersey -- Marriage Licenses	5,125.00	
Due Bank	745.84	
Federal and State Grants Receivable		\$ 1,458,599.12
Tax Anticipation Notes	8,000,000.00	
Due Current Fund		343,056.82
Due Animal Control Fund	207,000.00	
Due Trust - Other Funds	406,092.20	
Due General Capital Fund	6,271,584.17	
Due Golf Course Utility Operating Fund	255,000.00	
	112,153,204.42	\$ 1,801,655.94
	118,317,447.73	1,801,655.94

(Continued)



**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2012

	<u>Regular</u>	<u>Federal and State Grant</u>
Decreased by Disbursements:		
Refund of Prior Year Revenue	\$ 694.65	
2012 Appropriations	32,223,535.55	
Petty Cash Funds	1,750.00	
Due Pennsauken Housing Authority	6,963.84	
Protested Checks	5,343.00	
2011 Appropriation Reserves	361,257.33	
Due Pennsauken Garbage District	2,339,260.04	
Due Pennsauken Free Public Library	1,813.15	
Tax Overpayments	68,499.59	
Due State of New Jersey -- Training Fees Surcharge	41,838.00	
Due State of New Jersey -- Marriage Licenses	3,000.00	
County Taxes Payable	18,756,742.54	
Due County for Added and Omitted Taxes	15,459.58	
Local School District Tax Payable	37,028,176.80	
Special District Tax Payable	4,063,275.00	
Due Bank	981.84	
Reserve for Federal and State Grants -- Appropriated		\$ 1,801,655.94
Tax Anticipation Notes	8,000,000.00	
Due Federal and State Grant Fund	343,056.82	
Due Animal Control Fund	387,250.00	
Due Trust - Other Fund	3,619,220.88	
Due General Capital Fund	5,298,750.00	
Due Golf Course Utility Operating Fund	<u>80,957.02</u>	
	<u>\$ 112,647,825.63</u>	<u>\$ 1,801,655.94</u>
Balance December 31, 2012	<u>\$ 5,669,622.10</u>	<u><u>-</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S. 40A:5-5 -- Collector  
For the Year Ended December 31, 2012

Balance December 31, 2011		\$	1,471.49
Increased by Receipts:			
Interest and Costs on Taxes	\$ 600,863.53		
Taxes Receivable	79,222,786.23		
Tax Title Liens	38,600.12		
Payment in Lieu of Taxes Receivable	263,301.26		
Protested Checks	44,469.07		
Revenue Accounts Receivable	132,641.81		
Prepaid Payment in Lieu of Taxes	8,111.30		
Prepaid Taxes	755,296.53		
Tax Overpayments	263,984.95		
Due to Camden County Municipal Utility Authority	317,183.99		
Due to Pennsauken Sewerage Authority	<u>11,195.33</u>		
			<u>81,658,434.12</u>
			81,659,905.61
Decreased by Disbursements:			
Payments to Treasurer	80,626,911.13		
Due to Camden County Municipal Utility Authority	317,183.99		
Due to Pennsauken Sewerage Authority	11,195.33		
Protested Checks	<u>44,469.07</u>		
			<u>80,999,759.52</u>
Balance December 31, 2012		\$	<u><u>660,146.09</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
 Schedule of Change Funds  
 For the Year Ended December 31, 2012

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Balance December 31, 2012	\$ 950.00
<hr/>	
<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 400.00
Treasurer	200.00
Clerk of Municipal Court	350.00
	<hr/>
	\$ 950.00
	<hr/>

**Exhibit SA-4**

**CURRENT FUND**  
 Statement of Petty Cash Funds  
 For the Year Ended December 31, 2012

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<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Treasurer	\$ 1,000.00	\$ 1,000.00
Police Department	750.00	750.00
	<hr/>	<hr/>
	\$ 1,750.00	\$ 1,750.00
	<hr/>	<hr/>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
 Statement of Taxes Receivable  
 For the Year Ended December 31, 2012

Year	Balance	2012 Levy	Added Taxes	Collections		Due from State of New Jersey	Transferred to Tax Title Liens	Overpayments Applied	Cancellations	Balance
	Dec. 31, 2011			2011	2012					Dec. 31, 2012
2006	8,222.28				\$ 4,137.20					\$ 4,085.08
2007	9,278.34				4,147.14					5,131.20
2008	9,246.27				3,896.39					5,349.88
2009	6,961.01				2,875.70					4,085.31
2010	18,790.64				10,776.37			\$ 94.05		7,920.22
2011	2,217,949.94		\$ 30,013.20		1,956,360.20	\$ 4,750.00	\$ 17,104.28	2,692.43	\$ 242,539.08	24,517.15
	2,270,448.48	-	30,013.20	-	1,982,193.00	4,750.00	17,104.28	2,786.48	242,539.08	51,088.84
2012		\$ 81,710,617.32		\$ 603,853.44	77,240,593.23	425,391.11	48,117.88	259,293.40	325,737.71	2,807,630.55
	\$ 2,270,448.48	81,710,617.32	\$ 30,013.20	\$ 603,853.44	79,222,786.23	\$ 430,141.11	\$ 65,222.16	\$ 262,079.88	568,276.79	\$ 2,858,719.39

Due State of New Jersey - Veteran and Senior Citizen  
 Deductions Disallowed

\$ 30,013.20

Analysis of 2012 Property Tax Levy:

Tax Yield:

General Purpose Tax	\$ 77,571,610.72
Special District Tax	4,063,275.00
Added / Omitted Taxes	<u>75,731.60</u>
	<u>\$ 81,710,617.32</u>

Tax Levy:

Local District School Tax	\$ 37,031,223.50
County Taxes:	
County Tax	\$ 18,756,742.54
Due County for Added and Omitted Taxes	<u>17,373.93</u>
Total County Taxes	18,774,116.47
Garbage District Taxes	4,063,275.00
Local Tax for Municipal Purposes	20,909,690.67
Levied for Municipal Library	865,309.33
Add: Additional Tax Levied	<u>67,002.35</u>
Local Tax for Municipal Purposes Levied	<u>21,842,002.35</u>
	<u>\$ 81,710,617.32</u>

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

Balance December 31, 2011		\$ 238,584.04
Increased by:		
Interest and Costs from Tax Sales of December 5, 2012	\$ 2,855.82	
Transferred from Taxes Receivable:		
2012	48,117.88	
2011	<u>17,104.28</u>	
		<u>68,077.98</u>
		306,662.02
Decreased by:		
Cancelled	1,187.29	
Receipts:		
Collector	<u>38,600.12</u>	
		<u>39,787.41</u>
Balance December 31, 2012		<u><u>\$ 266,874.61</u></u>

**TOWNSHIP OF PENNSAUKEN**  
CURRENT FUND  
Statement of Municipal Assessments Receivable  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 53,857.08
Increased by:		
2012 Assessments Accrued		<u>26,945.75</u>
		80,802.83
Decreased by:		
Cancelled	\$ 1,950.00	
Revenue Accounts Receivable -- Collector	<u>40,652.99</u>	
		<u>42,602.99</u>
Balance December 31, 2012		<u><u>\$ 38,199.84</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Payment in Lieu of Taxes Receivable  
For the Year Ended December 31, 2012

---

Increased by:			
Accrued in 2012			<u>\$ 270,637.89</u>
			270,637.89
Decreased by:			
Application of 2011 Prepaid Payment in Lieu of Taxes	\$ 7,336.13		
Receipts:			
Collector	<u>263,301.26</u>		
			<u>270,637.39</u>
Balance December 31, 2012			<u><u>\$ 0.50</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Protested Checks Receivable  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 1,691.51
Increased by:		
Disbursements:		
Checks Protested -- Treasurer	\$ 5,343.00	
Checks Protested -- Collector	<u>44,469.07</u>	
		<u>49,812.07</u>
		51,503.58
Decreased by:		
Receipts:		
Checks Protested -- Treasurer	4,845.00	
Checks Protested -- Collector	<u>44,469.07</u>	
		<u>49,314.07</u>
Balance December 31, 2012		<u><u>\$ 2,189.51</u></u>

Exhibit SA-10

**CURRENT FUND**  
Statement of Due from Bank  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 129.30
Increased by:		
Disbursements		<u>981.84</u>
		1,111.14
Decreased by:		
Receipts		<u>745.84</u>
Balance December 31, 2012		<u><u>\$ 365.30</u></u>



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

	Balance Dec. 31, 2011	Accrued in 2012	Collected		Interfunds	Balance Dec. 31, 2012
			Collector	Treasurer		
Treasurer:						
Cable Franchise Fees	\$ 94,174.41	\$ 112,655.13		\$ 94,192.73		\$ 112,636.81
Consolidated Municipal Property Tax Relief Aid		452,680.00		452,680.00		
Energy Receipts Tax		5,046,470.00		5,046,470.00		
Payments in Lieu of Taxes		1,670,226.55	\$ 27,358.90	1,642,867.65		
Lease of Municipal Assets -- Landfill		250,000.00		250,000.00		
Golf Course Utility -- Payment in Lieu of Taxes		175,000.00			\$ 175,000.00	
Uniform Fire Safety Act -- Life Hazard Use Fees		179,485.53		179,485.53		
Merchantville - Pennsauken Water Commission Antenna Fee		400,401.37		400,401.37		
Fees and Permits:						
Cellular Telephone Lease Agreements		74,291.86		74,291.86		
State Death Certificates		15,315.00		15,315.00		
Hotel Tax		5,864.98		5,864.98		
Construction Code Official:						
Licenses -- Other:						
Builder		13,096.00		13,096.00		
Fees and Permits:						
Building Permits		398,478.00		398,478.00		
Certificates of Compliance -- Elevator		22,158.00		22,158.00		
Certificates of Occupancy		13,800.00		13,800.00		
Electrical Permits		108,464.00		108,464.00		
Fire Sub-code Permits		24,028.00		24,028.00		
Housing Code Letters		28,450.00		28,450.00		
Plumbing Permits		66,458.00		66,458.00		
Rent Board Applications		54,095.00		54,095.00		
Street Opening Permits		9,520.00		9,520.00		
Trash Dumpster Permits		3,245.00		3,245.00		
Penalties and Fines		8,135.00		8,135.00		
Photocopies		20.15		20.15		
Clerk:						
Licenses -- Alcoholic Beverages		61,000.00		61,000.00		
Licenses -- Other:						
Billards		270.00		270.00		
Board of Health		5,780.00		5,780.00		

(Continued)

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

	Balance <u>Dec. 31, 2011</u>	Accrued <u>in 2012</u>	Collected		Interfunds	Balance <u>Dec. 31, 2012</u>
			<u>Collector</u>	<u>Treasurer</u>		
Clerk (Cont'd):						
Licenses -- Other (Cont'd):						
Heating		\$ 100.00		\$ 100.00		
Marriage		615.00		615.00		
Peddler / Solicitor		1,000.00		1,000.00		
Precious Metal		225.00		225.00		
Raffle		580.00		580.00		
Taxicab		6,980.00		6,980.00		
Used Car Lot		1,000.00		1,000.00		
Fees and Permits:						
Bid Specifications		5,273.00		5,273.00		
Coin Operated Device Permits		545.00		545.00		
Outdoor Sign Rental		8,973.72		8,973.72		
Tax Searches		60.00		60.00		
Vital Statistics		11,850.00		11,850.00		
Zoning Books		30.00		30.00		
Photocopies		151.35		151.35		
Showmobile		1,425.00		1,425.00		
Fire Department:						
Fees and Permits:						
Fire Inspection Fees		118,447.50		118,447.50		
Police Department:						
Accident and Police Reports		32,655.35		32,655.35		
Emergency Medical Squad:						
Emergency Medical Technician Billing Fees		1,099,091.26		1,099,091.26		
Municipal Court:						
Fines and Costs	\$ 68,463.71	1,106,459.95		1,112,942.46		\$ 61,981.20
Recreation Department:						
Swimming Pool Admissions		52,850.00		52,850.00		
Fees and Permits:						
Recreation		15,080.00		15,080.00		
Planning and Zoning:						
Fees and Permits:						
Planning Board Fees		14,105.00		14,105.00		
Zoning Board Fees		2,200.00		2,200.00		

(Continued)

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

	Balance Dec. 31, 2011	Accrued in 2012	Collected		Interfunds	Balance Dec. 31, 2012
			Collector	Treasurer		
Interest on Investments and Deposits		\$ 57,398.78	\$ 3,250.65	\$ 52,720.75	\$ 1,427.38	
Tax Office:						
Advertising and Certification Costs		44,816.07	44,816.07			
Certificates of Redemption		2,250.00	2,250.00			
Duplicate Bills		68.00	68.00			
Interest on Municipal Assessments Receivable		7,173.31	7,173.31			
Interest on Payments in Lieu of Taxes		7,071.89	7,071.89			
Municipal Assessments Receivable		40,652.99	40,652.99			
	<u>\$ 162,638.12</u>	<u>\$ 11,838,515.74</u>	<u>\$ 132,641.81</u>	<u>\$ 11,517,466.66</u>	<u>\$ 176,427.38</u>	<u>\$ 174,618.01</u>
Due Trust - Other Fund:						
Collected by Trust Other Fund					\$ 1,427.38	
Due Golf Course Utility Operating Fund					<u>175,000.00</u>	
					<u>\$ 176,427.38</u>	

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Due from Township of Pennsauken Library  
For the Year Ended December 31, 2012

---

Balance December 31, 2011	\$ 540.45
Increased by:	
Disbursements	<u>1,813.15</u>
	2,353.60
Decreased by:	
Receipts	<u><u>\$ 2,353.60</u></u>

**TOWNSHIP OF PENNSAUKEN**  
CURRENT FUND  
Statement of Due from/to Pennsauken Housing Authority  
For the Year Ended December 31, 2012

---

Balance December 31, 2011 (Due from)	\$ 330.22
Increased by:	
Disbursements	<u>6,963.84</u>
	7,294.06
Decreased by:	
Receipts	<u>7,296.19</u>
Balance December 31, 2012 (Due to)	<u><u>\$ 2.13</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Prepaid Payments in Lieu of Taxes  
For the Year Ended December 31, 2012

---

Balance December 31, 2011	\$ 7,336.13
Increased by:	
Receipts:	
Collector	<u>8,111.30</u>
	15,447.43
Decreased by:	
Applied to Payments in Lieu of Taxes Receivable	<u>7,336.13</u>
Balance December 31, 2012	<u><u>\$ 8,111.30</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	Encumbered	Reserved				
OPERATIONS -- WITHIN "CAPS"						
General Government:						
Mayor and Township Committee						
Salaries and Wages		\$ 357.92	\$ 357.92	\$ 280.00		\$ 77.92
Other Expenses	\$ 27.79	482.21	510.00	157.69		352.31
Administrative and Executive						
Salaries and Wages		6.10	6.10			6.10
Other Expenses	1,000.00	15.80	1,015.80	1,000.00		15.80
Municipal Clerk's Office						
Salaries and Wages		49.70	49.70			49.70
Other Expenses	915.87	650.55	1,566.42	1,237.59		328.83
Data Processing Center						
Other Expenses		23,903.28	25,153.28	25,146.40		6.88
Purchasing Department						
Salaries and Wages		4.01	4.01			4.01
Other Expenses	1,127.25	2,802.05	3,929.30	3,695.60		233.70
Financial Administration						
Salaries and Wages		4.33	4.33			4.33
Other Expenses		4,148.86	6,348.86	6,325.31		23.55
Assessment of Taxes						
Salaries and Wages		19.75	19.75			19.75
Other Expenses		276.11	276.11	69.38		206.73
Collection of Taxes						
Salaries and Wages		19.94	(11,780.06)		\$ 11,793.51	13.45
Other Expenses	1,416.00	31.92	747.92	2,908.50	2,604.41	443.83
Human Resources						
Salaries and Wages		4.92	4.92			4.92
Legal Services and Costs						
Salaries and Wages		3.02	3.02			3.02
Other Expenses	3,471.97	1,743.01	8,914.98	8,453.83		461.15
Engineering Services and Costs						
Salaries and Wages		0.76	0.76			0.76
Other Expenses	2,482.30	480.55	2,962.85	2,928.70		34.15
Public Buildings and Grounds						
Salaries and Wages		6.83	6.83			6.83
Other Expenses	395.19	2,732.59	3,127.78	3,127.78		

(Continued)

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
General Government (Cont'd):						
Municipal Prosecutor						
Salaries and Wages		\$ 5.16	\$ 5.16			\$ 5.16
Municipal Court						
Salaries and Wages		212.55	212.55			212.55
Other Expenses	\$ 3,355.71	71.95	4,402.66	\$ 3,958.61		444.05
Maintenance of Township Owned Property						
Other Expenses	4,350.00		6,100.00	6,095.00		5.00
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages		402.13	402.13			402.13
Other Expenses		86.63	86.63			86.63
Zoning Board						
Salaries and Wages		447.10	447.10			447.10
Other Expenses		155.10	155.10	150.00		5.10
Insurance:						
Employee Group Health		85.05	85.05			85.05
General Liability	4,242.07	198.54	4,440.61	4,242.07		198.54
Workers' Compensation		1,382.89	76,382.89	76,382.89		
Unemployment Insurance		27.87	13,627.87	13,627.87		
Economic Development						
Salaries and Wages		1.01	1.01			1.01
Other Expenses	34.60	99.19	233.79	209.98		23.81
Dog Warden						
Other Expenses			23,250.00	23,250.00		
Department of Public Safety:						
Fire Department						
Salaries and Wages		181.36	181.36		\$ 800.00	981.36
Other Expenses:						
Fire Department	8,560.15	2,936.56	11,696.71	10,108.50	1,600.00	3,188.21
Fire Hydrant Service	8,115.96	4.24	12,195.20	8,115.96		4,079.24

(Continued)



**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

	Balance		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Dec. 31, 2011</u> <u>Reserved</u>				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Department of Public Safety (Cont'd):						
Police						
Salaries and Wages		\$ 81,852.96	\$ (78,722.04)		\$ 86,085.00	\$ 7,362.96
Other Expenses	\$ 27,532.51	22,034.47	31,966.98	\$ 29,156.04		2,810.94
Police Communications						
Salaries and Wages		744.46	744.46			744.46
Police Reserve						
Salaries and Wages		240.00	240.00			240.00
Traffic Control						
Salaries and Wages		15.00	15.00			15.00
Other Expenses	2,156.19	3,567.67	5,723.86	1,439.44		4,284.42
First Aid Organization						
Salaries and Wages		1,166.66	1,166.66			1,166.66
Other Expenses	10,012.10	4,968.14	15,880.24	15,712.83		167.41
Emergency Management Services						
Salaries and Wages		1.88	1.88			1.88
Other Expenses		220.68	220.68			220.68
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Salaries and Wages		31.00	31.00			31.00
Other Expenses	1,691.12	810.79	2,501.91	1,807.82		694.09
Streets and Roads:						
Public Works						
Salaries and Wages		26.91	26.91			26.91
Other Expenses	2,494.11	928.17	5,497.28	5,084.12		413.16
Township Garage						
Salaries and Wages		398.36	398.36			398.36
Other Expenses	12,193.59	2,029.53	14,548.12	13,458.35		1,089.77
Street Lighting		100,976.41	93,276.41	93,246.94		29.47
Health and Welfare:						
Senior Citizens of Pennsauken Township						
Salaries and Wages		11.12	11.12			11.12
Other Expenses	3,000.00	991.59	3,991.59	3,000.00		991.59

(Continued)

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	Encumbered	Reserved				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Utility Expenses:						
Motor Fuels		\$ 38.17	\$ 38.17			\$ 38.17
Electricity		53,141.23	21,241.23	\$ 17,740.56		3,500.67
Telephone	\$ 10.90	13,576.25	87.15	10.90		76.25
Natural Gas or Propane	8,509.42	49.79	18,084.21	4,512.16	\$ 1,178.35	14,750.40
Sewerage Authority		40.68	40.68			40.68
Recreation and Education:						
Recreation						
Salaries and Wages		1.30	1.30			1.30
Other Expenses	5,153.90	70.00	5,223.90	3,951.46		1,272.44
Swimming Pool						
Salaries and Wages		4.04	4.04			4.04
Other Expenses	359.96	47.32	407.28			407.28
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	172.21		172.21	172.21		
Historical Preservation						
Other Expenses	537.15	644.87	1,182.02	946.80		235.22
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Official						
Salaries and Wages		21.28	21.28			21.28
Other Expenses	30,537.00	6,191.64	82,828.64	82,806.80		21.84
Unclassified:						
Sick Pay		11.25	11.25			11.25
Total Operations within "CAPS"	143,855.02	338,895.16	424,000.18	474,518.09	104,061.27	53,543.36

(Continued)

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of 2011 Appropriation Reserves  
For the Year Ended December 31, 2012

	Balance Dec. 31, 2011		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL -- WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System-ERI Liability		\$ 39.03	\$ 39.03			\$ 39.03
Social Security System (O.A.S.I.)		262.72	262.72			262.72
Police and Fireman's Retirement System of N.J.		55.16	55.16			55.16
Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"	-	356.91	356.91	-	-	356.91
Total General Appropriations for Municipal Purposes -- Within "CAPS"	\$143,855.02	339,252.07	424,357.09	\$474,518.09	\$ 104,061.27	53,900.27
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	-	-	58,750.00	58,750.00		-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	-	-	58,750.00	58,750.00	-	-
Total General Appropriations	<u>\$143,855.02</u>	<u>\$339,252.07</u>	<u>\$483,107.09</u>	<u>\$533,268.09</u>	<u>\$ 104,061.27</u>	<u>\$ 53,900.27</u>
Refunded -- Receipts					\$(104,061.27)	
Due Animal Control Fund:						
Deferred Charge -- Deficit in Reserve for Animal Control Expenditures			\$ 23,163.07			
Reserve for Animal Control Expenditures			86.93			
Due Trust Other Funds				23,250.00		
Due General Capital Fund				90,010.76		
Disbursed				58,750.00		
				<u>361,257.33</u>		
				<u>\$533,268.09</u>		

**TOWNSHIP OF PENNSAUKEN**  
CURRENT FUND  
Statement of Due to Pennsauken Garbage District  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 4,980.07
Increased by:	
Receipts	<u>2,356,892.06</u>
	2,361,872.13
Decreased by:	
Disbursements	<u>2,339,260.04</u>
Balance December 31, 2012	<u><u>\$ 22,612.09</u></u>

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

---

Balance December 31, 2011 (2012 Taxes)	\$ 603,853.44
Increased by:	
Receipts:	
Collector	<u>755,296.53</u>
	1,359,149.97
Decreased by:	
Application to 2012 Taxes Receivable	<u>603,853.44</u>
Balance December 31, 2012 (2013 Taxes)	<u><u>\$ 755,296.53</u></u>

## Exhibit SA-18

**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 94.05
Increased by:	
Fund Balance - Refund of Prior Year Taxes - Appeals	\$ 67,787.44
Receipts:	
Collector	<u>263,984.95</u>
	<u>331,772.39</u>
	331,866.44
Decreased by:	
Applied to Taxes Receivable:	
2010 Taxes	\$ 94.05
2011 Taxes	2,692.43
2012 Taxes	<u>259,293.40</u>
	262,079.88
Refunds:	
Disbursements	<u>68,499.59</u>
	<u>330,579.47</u>
Balance December 31, 2012	<u><u>\$ 1,286.97</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Due from/ to State of New Jersey  
Veterans' and Senior Citizens' Deductions  
For the Year Ended December 31, 2012

Balance December 31, 2011 (Due from)		\$	2,417.32
Increased by:			
Accrued in 2012:			
Per the Tax Billings:			
Senior Citizen	\$		138,000.00
Disabled Persons			23,750.00
Surviving Spouse			1,750.00
Veterans			189,000.00
Widow of a Veteran			72,250.00
			<u>424,750.00</u>
Adjustments by Collector:			
Allowed			8,891.11
Disallowed			<u>(8,250.00)</u>
		\$	425,391.11
Prior Year Veteran and Senior Citizens' Deductions			
Allowed per Collector:			
2011			<u>4,750.00</u>
			<u>430,141.11</u>
			432,558.43
Decreased by:			
Receipts			404,363.69
Prior Year Veteran and Senior Citizens' Deductions			
Disallowed per Collector			<u>30,013.20</u>
			<u>434,376.89</u>
Balance December 31, 2012 (Due to)		\$	<u><u>1,818.46</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Due to State of New Jersey --  
Training Fees Surcharge  
For the Year Ended December 31, 2012

---

Balance December 31, 2011	\$ 11,015.00
Increased by:	
Receipts	37,072.00
	48,087.00
Decreased by:	
Disbursements	41,838.00
Balance December 31, 2012	\$ 6,249.00
<u>Analysis of Balance December 31, 2012</u>	
<u>Month</u>	<u>Amount</u>
Fourth Quarter 2012	\$ 6,249.00

Exhibit SA-21

**TOWNSHIP OF PENNSAUKEN**  
Statement of Due to State of New Jersey --  
Marriage and Domestic Partnership Licenses  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 750.00
Increased by:	
Receipts	5,125.00
	5,875.00
Decreased by:	
Disbursements	3,000.00
Balance December 31, 2012	\$ 2,875.00
<u>Analysis of Balance December 31, 2012</u>	
Third and Fourth Quarter 2012 -- Licenses	\$ 2,875.00

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

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2012 Levy:		
County Tax	\$	18,756,742.54
Decreased by:		
Disbursements	\$	<u>18,756,742.54</u>

Exhibit SA-23

**CURRENT FUND**  
Statement of Due County for Added and Omitted Taxes  
For the Year Ended December 31, 2012

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Balance December 31, 2011			
2010 Added Assessments	\$	16.20	
2011 Added Assessments		14,027.95	
2010 Omitted/Added Assessments		<u>1,415.43</u>	
			\$ 15,459.58
Increased by:			
County Share of 2012 Taxes			<u>17,373.93</u>
			32,833.51
Decreased by:			
Disbursements			<u>15,459.58</u>
Balance December 31, 2012			
2011 Added Assessments	\$	162.09	
2012 Added Assessments		16,109.06	
2011 Omitted/Added Assessments		<u>1,102.78</u>	
			<u>\$ 17,373.93</u>



**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
Statement of Local School District Tax Payable  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 3,082,219.15
2012 Levy -- Calendar Year	<u>37,031,223.50</u>
	40,113,442.65
Decreased by:	
Disbursements	<u>37,028,176.80</u>
Balance December 31, 2012	<u><u>\$ 3,085,265.85</u></u>

## Exhibit SA-25

CURRENT FUND  
Statement of Special District Tax  
For the Year Ended December 31, 2012

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2012 Levy -- Garbage District Tax	\$ 4,063,275.00
Decreased by:	
Disbursements	<u><u>\$ 4,063,275.00</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**CURRENT FUND**  
 Statement of Tax Anticipation Notes  
 For the Year Ended December 31, 2012

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<u>Resolution Number</u>	<u>Purpose</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued For Cash</u>	<u>Paid With Cash</u>
2012:162	Tax Anticipation Note	06/22/12	09/19/12	1.00%	<u>\$ 8,000,000.00</u>	<u>\$ 8,000,000.00</u>

**TOWNSHIP OF PENNSAUKEN**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal, State and Local Grants Receivable  
 For the Year Ended December 31, 2012

<u>Grant</u>	<u>Balance Dec. 31, 2011</u>	<u>Accrued</u>	<u>Received</u>	<u>Cancellations</u>	<u>Balance Dec. 31, 2012</u>
<b>Federal Grants:</b>					
Bulletproof Vest Partnership Program	\$ 807.67	\$ 3,820.58	\$ 4,628.25		
Click It or Ticket		4,000.00	3,854.64	\$ 145.36	
ARRA - Community Oriented Policing ("COPS")					
Hiring Program Recovery Grant	529,762.35		436,001.35	82,266.85	\$ 11,494.15
FEMA Emergency Management Assistance Program		5,000.00	5,000.00		
Justice Assistance Grant (JAG)	57,820.37	13,266.00	24,721.04	101.55	46,263.78
<b>Total Federal Grants</b>	<b>588,390.39</b>	<b>26,086.58</b>	<b>474,205.28</b>	<b>82,513.76</b>	<b>57,757.93</b>
<b>State Grants:</b>					
Body Armor Replacement		8,205.78	8,205.78		
Drive Sober or Get Pulled Over		9,000.00	7,677.40	1,322.60	
Governor's Council on Alcoholism and Drug Abuse	5,100.00	29,528.00	23,300.00		11,328.00
Municipal Court Alcohol, Education and Rehabilitation Grant		7,878.60	7,878.60		
New Jersey Department of Environmental Protection -- Green Acres Grant	900,000.00		900,000.00		
Green Communities Grant Program		3,000.00			3,000.00
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Grant		35,032.06	35,032.06		
Pedestrian Safety and Education Enforcement Grant		19,000.00		563.12	18,436.88
<b>Total State Grants</b>	<b>905,100.00</b>	<b>111,644.44</b>	<b>982,093.84</b>	<b>1,885.72</b>	<b>32,764.88</b>
<b>Total Federal and State Grants</b>	<b>1,493,490.39</b>	<b>137,731.02</b>	<b>1,456,299.12</b>	<b>84,399.48</b>	<b>90,522.81</b>
<b>Local Grants:</b>					
Camden County Recreation Facility Enhancement Grant		25,000.00			25,000.00
Camden County DWI Checkpoint Grant		3,000.00	2,300.00	700.00	
<b>Total Other Grants</b>	<b>-</b>	<b>28,000.00</b>	<b>2,300.00</b>	<b>700.00</b>	<b>25,000.00</b>
<b>Total Federal, State and Local Grants</b>	<b>\$ 1,493,490.39</b>	<b>\$ 165,731.02</b>	<b>\$ 1,458,599.12</b>	<b>\$ 85,099.48</b>	<b>\$ 115,522.81</b>
<b>Receipts</b>			<b>\$ 1,458,599.12</b>		
Reserve for Federal and State Grants -- Appropriated				<b>\$ 85,099.48</b>	
			<b>\$ 1,458,599.12</b>	<b>\$ 85,099.48</b>	

**TOWNSHIP OF PENNSAUKEN**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Due from/ to Current Fund**  
**For the Year Ended December 31, 2012**

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Balance December 31, 2011 (Due from)		\$ 360,793.76
Increased by:		
Reclassificaiton Prior Year Expenditure -- Current Fund Balance		15,482.10
		376,275.86
Decreased by:		
Paid by Trust Other Fund	\$ 50,681.92	
Receipts	343,056.82	
		393,738.74
Balance December 31, 2012 (Due to)		\$ 17,462.88

**TOWNSHIP OF PENNSAUKEN**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal, State and Local Grants -- Unappropriated  
For the Year Ended December 31, 2012

<u>Grant</u>	<u>Balance Dec. 31, 2011</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2012</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants:				
Bulletproof Vest Partnership Program		\$ 3,820.58		\$ 3,820.58
Click It or Ticket		4,000.00	\$ 4,000.00	
FEMA Emergency Management Assistance Program		5,000.00	5,000.00	
Justice Assistance Grant (JAG)		13,266.00	13,266.00	
		<hr/>		
Total Federal Grants	-	26,086.58	22,266.00	3,820.58
		<hr/>		
State Grants:				
Body Armor Replacement Fund Grant	\$ 8,083.47	8,205.78	8,083.47	8,205.78
Drive Sober or Get Pulled Over		9,000.00	9,000.00	
Municipal Alliance on Alcoholism and Drug Abuse		29,528.00	29,528.00	
Municipal Court Alcohol, Education and Rehabilitation Grant		7,878.60	7,878.60	
New Jersey Department of Environmental Protection -- Green Communities Grant Program		3,000.00	3,000.00	
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Grant		35,032.06	35,032.06	
Pedestrian Safety and Education Enforcement Grant		19,000.00	19,000.00	
		<hr/>		
Total State Grants	8,083.47	111,644.44	111,522.13	8,205.78
		<hr/>		
Total Federal and State Grants	8,083.47	137,731.02	133,788.13	12,026.36
		<hr/>		
Local Grants:				
Camden County Recreation Facility Enhancement Grant		25,000.00	25,000.00	
Camden County DWI Checkpoint Grant		3,000.00	3,000.00	
		<hr/>		
Total Local Grants	-	28,000.00	28,000.00	-
		<hr/>		
Total Federal and State Grants	\$ 8,083.47	\$ 165,731.02	\$ 161,788.13	\$ 12,026.36
		<hr/>		

**TOWNSHIP OF PENNSAUKEN**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants -- Appropriated  
For the Year Ended December 31, 2012

Grant	Balance Dec. 31, 2011		Transferred from Budget Appropriations	Paid or Charged	Encumbrances	Cancellations	Balance Dec. 31, 2012
	Encumbered	Reserved					
Federal Grants:							
Click It or Ticket			\$ 4,000.00	\$ 3,854.64		\$ 145.36	
Community Oriented Policing ("COPS") Hiring Program Recovery Grant (ARRA)		\$ 412,802.43		330,535.58		82,266.85	
Energy Efficiency and Conservation Block Grant	\$ 25.00				\$ 25.00		
FEMA Emergency Management Assistance Program			5,000.00	5,000.00			
Justice Assistance Grant (JAG)	2,419.95	18,177.28	13,266.00	(4,403.94)		101.55	\$ 38,165.62
<b>Total Federal Grants</b>	<b>2,444.95</b>	<b>430,979.71</b>	<b>22,266.00</b>	<b>334,986.28</b>	<b>25.00</b>	<b>82,513.76</b>	<b>38,165.62</b>
State Grants:							
Body Armor Replacement Fund Grant	7,753.92		8,083.47	7,753.92	8,083.47		
Drive Sober or Get Pulled Over			9,000.00	7,677.40		1,322.60	
Municipal Alliance on Alcoholism and Drug Abuse			29,528.00	26,350.00	3,178.00		
Hazardous Discharge Site Remediation Fund		22,106.97		18,086.22			4,020.75
Municipal Court Alcohol, Education and Rehabilitation Grant	1,150.00	5,022.68	7,878.60	1,434.00			12,617.28
New Jersey Department of Environmental Protection:							
Green Acres Grant		900,000.00		900,000.00			
Green Communities Grant Program			3,000.00				3,000.00
New Jersey Division of Motor Vehicles --							
Drunk Driving Enforcement Grant		9,609.46	35,032.06	39,951.07			4,690.45
Pedestrian Safety and Education Enforcement Grant			19,000.00	8,936.88		563.12	9,500.00
<b>Total State Grants</b>	<b>8,903.92</b>	<b>936,739.11</b>	<b>111,522.13</b>	<b>1,010,189.49</b>	<b>11,261.47</b>	<b>1,885.72</b>	<b>33,828.48</b>
<b>Total Federal and State Grants</b>	<b>11,348.87</b>	<b>1,367,718.82</b>	<b>133,788.13</b>	<b>1,345,175.77</b>	<b>11,286.47</b>	<b>84,399.48</b>	<b>71,994.10</b>
Local Grants							
Camden County Recreation Facility Enhancement Grant			25,000.00	22,247.00			2,753.00
Camden County DWI Checkpoint Grant			3,000.00	2,300.00		700.00	
Delaware River Port Authority Open Space Initiative Grant	5,042.95	462,090.04		467,132.99			
<b>Total Local Grants</b>	<b>5,042.95</b>	<b>462,090.04</b>	<b>28,000.00</b>	<b>491,679.99</b>	<b>-</b>	<b>700.00</b>	<b>2,753.00</b>
<b>Total Federal, State and Local Grants</b>	<b>\$ 16,391.82</b>	<b>\$ 1,829,808.86</b>	<b>\$ 161,788.13</b>	<b>\$ 1,836,855.76</b>	<b>\$ 11,286.47</b>	<b>\$ 85,099.48</b>	<b>\$ 74,747.10</b>
Federal, State and Local Grants Receivable						<u>\$ 85,099.48</u>	
Refunds:							
Current Fund Balance				\$ (15,482.10)			
Current Fund - Due Trust Other Fund				50,681.92			
Disbursements				<u>1,801,655.94</u>			
				<u>\$ 1,836,855.76</u>			

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF PENNSAUKEN**  
**TRUST FUNDS**  
Statement of Trust Fund Cash  
Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2012

	<u>Animal Control Fund</u>	<u>Other</u>
Balance December 31, 2011	\$ 659.66	\$ 455,247.66
Increased by Receipts:		
Miscellaneous Accounts Receivable	\$ 4,177.27	
Due Current Fund	387,250.00	\$ 3,572,086.72
Due State of New Jersey	1,722.00	
Reserve for Animal Control Expenditures	133,976.13	
Due Township of Pennsauken Garbage District	5,235.70	
Community Development Block		
Grant Receivable		99,951.20
Due Bank		792.00
Reserve for Payroll Deductions Payable		20,095,866.84
Reserve for Economic Development --		
Urban Development Action Grant		78.47
Miscellaneous Reserves:		
Reserve for Street Opening Deposits		2,000.00
Reserve for Escrow Deposits		1,500.00
Reserve for Unemployment Compensation Insurance		2,611.45
Reserve for Special Law Enforcement Officers:		
State Allocation		20,526.32
Federal Allocation		0.81
Reserve for Housing Trust		510.08
Reserve for Worker's Compensation Insurance		736,848.22
	532,361.10	24,532,772.11
	533,020.76	24,988,019.77
Decreased by Disbursements:		
Due Current Fund	197,422.62	3,203,691.65
State Registration Fees	1,713.00	
Reserve for Animal Control Expenditures	312,976.76	
Due Bank	38.00	794.00
Reserve for Payroll Deductions Payable		20,057,006.85
Reserve for Economic Development --		
Urban Development Action Grant		3,600.00
Reserve for Community Development Block		
Grant Program		173,162.93
Miscellaneous Reserves:		
Reserve for Street Opening Deposits		500.00
Reserve for Escrow Deposits		63,184.10
Reserve for Unemployment Compensation Insurance		61,396.61
Reserve for Planning and Zoning Deposits		162,981.92
Reserve for Special Law Enforcement Officers:		
Federal Allocation		6,561.57
Reserve for Worker's Compensation Insurance		812,830.36
	512,150.38	24,545,709.99
Balance December 31, 2012	\$ 20,870.38	\$ 442,309.78



**TOWNSHIP OF PENNSAUKEN**  
**ANIMAL CONTROL FUND**  
Statement of Miscellaneous Accounts Receivable  
For the Year Ended December 31, 2012

---

Balance December 31, 2011	\$ 4,177.27
Increased by:	
Reserve for Animal Control Expenditures	6,366.54
	10,543.81
Decreased by:	
Receipts	4,177.27
Balance December 31, 2012	\$ 6,366.54
 <u>Analysis of Balance December 31, 2012</u>	
Borough of Audubon	\$ 2,122.18
Borough of Woodlynne	4,244.36
	\$ 6,366.54

Exhibit SB-3

**TOWNSHIP OF PENNSAUKEN**  
**ANIMAL CONTROL FUND**  
Statement of Deferred Charge -- Deficit in Reserve for Animal Control Expenditures  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 23,163.07
Increased by:	
Reserve for Animal Control Expenditures	5,969.78
	29,132.85
Decreased by:	
Funded by Current Fund -- 2011 Appropriation Reserves	23,163.07
Balance December 31, 2012	\$ 5,969.78

**TOWNSHIP OF PENNSAUKEN**  
**ANIMAL CONTROL FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2012

---

Receipts:		
Interfund Loans Received		\$ 387,250.00
Decreased by:		
Refunds Collected by the Current Fund	\$ 9,577.38	
Disbursements:		
Interfund Loans Returned	<u>197,422.62</u>	
		\$ 207,000.00
2011 Appropriation Reserves:		
Deferred Charge - Deficit in Reserve for Animal Control Expenditures	23,163.07	
Reserve for Animal Control Expenditures	<u>86.93</u>	
		23,250.00
2012 Budget Appropriation :		
Dog Warden - Other Expenses	<u>157,000.00</u>	
		<u>\$ 387,250.00</u>

**TOWNSHIP OF PENNSAUKEN**  
**ANIMAL CONTROL FUND**  
Statement of Due to State of New Jersey -- State Registration Fees  
For the Year Ended December 31, 2012

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Increased by:

Receipts:

Registrar:

2012 Licenses

\$ 1,722.00

Decreased by:

Disbursements

1,713.00

Balance December 31, 2012

\$ 9.00

**TOWNSHIP OF PENNSAUKEN**  
**ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Expenditures  
 For the Year Ended December 31, 2012

Balance December 31, 2011

Increased by:

Deferred Charge:

Deficit in Reserve for Animal Control Expenditures \$ 5,969.78

Miscellaneous Accounts Receivable 6,366.54

Receipts:

Registrar \$ 10,995.00

Refund of Expenditures 122,981.13

133,976.13

Due Current Fund:

Refunds Collected by Current Fund 9,577.38

2011 Appropriation Reserves 86.93

2012 Budget Appropriation:

Dog Warden - Other Expenses 157,000.00

166,664.31

312,976.76

312,976.76

Decreased by:

Expenditures under R.S. 4:19-15.11:

Disbursements \$ 312,976.76

Animal License Fees Collected:

Year

2010 \$ 11,928.60

2011 11,764.00

\$ 23,692.60

**TOWNSHIP OF PENNSAUKEN**  
**TRUST - OTHER FUND**  
 Statement of Community Development Block Grant Program Receivable  
 For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 207,453.38
Increased by:	
Accrued in 2012	103,500.00
	310,953.38
Decreased by:	
Receipts	99,951.20
Balance December 31, 2012	\$ 211,002.18
 <u>Analysis of Balance December 31, 2012</u>	
Year XXXI	\$ 6,694.56
Year XXXII	64,236.93
Year XXXIII	36,570.69
Year XXXIV	103,500.00
	\$ 211,002.18

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

	<u>Total</u>	<u>Street Opening and Other Escrow Deposits</u>	<u>Community Development Block Grant</u>
Balance December 31, 2011	\$ 66,682.95	\$ (3,045.17)	\$ (6,457.44)
Increased by:			
Disbursements:			
Interfund Loans Returned	175,000.00		
Made on behalf of Current Fund:			
2012 Budget Appropriations	2,977,421.49		
Fund Balance - Payment of Prior Year Expenditure	588.24		
Made on behalf of Federal and State Grant Fund	50,681.92		
2011 Appropriation Reserves	90,010.76		
2012 Budget Appropriations	46,000.00		
Collections made by Current Fund	231,092.20	15,106.25	
	<u>3,570,794.61</u>	<u>15,106.25</u>	<u>-</u>
	<u>3,637,477.56</u>	<u>12,061.08</u>	<u>(6,457.44)</u>
Decreased by:			
Receipts:			
Interest on Investments and Deposits	1,427.38	8.87	46.10
Interfund Loans Received	3,567,440.01		70,000.00
Collections made on behalf of Current Fund:			
Miscellaneous Revenue not Anticipated:			
Miscellaneous Refunds	3,219.33	100.00	
Refund of Prior Year Expenditures -- Fund Balance	12,366.31		
Payments made by Current Fund	51,780.87		2,800.00
	<u>3,636,233.90</u>	<u>108.87</u>	<u>72,846.10</u>
Balance December 31, 2012	<u>\$ 1,243.66</u>	<u>\$ 11,952.21</u>	<u>\$ (79,303.54)</u>

<u>Payroll</u>	<u>Planning and Zoning Deposits</u>	<u>Unemployment Compensation</u>	<u>Workers' Compensation</u>	<u>Urban Development Action Grant -- Revolving Loan Account</u>	<u>Reserve for Public Defender</u>	<u>Reserve for Parking Offense Adjudication Act</u>
\$ (8,529.56)	\$ 109,974.58	-	\$ (11,121.06)	\$ (19,241.34)	\$ 1,346.73	\$ 3,756.21
			175,000.00			
2,977,421.49						
588.24						
50,681.92		\$ 13,627.87	76,382.89			
		46,000.00				
5.00	168,383.95				47,041.00	556.00
3,028,696.65	168,383.95	59,627.87	251,382.89	-	47,041.00	556.00
3,020,167.09	278,358.53	59,627.87	240,261.83	(19,241.34)	48,387.73	4,312.21
1,243.87	40.65		87.89			
3,031,429.25	155,000.00	59,627.87	251,382.89			
1,974.31			1,145.02			
12,176.31	190.00					
	808.50				48,172.37	
3,046,823.74	156,039.15	59,627.87	252,615.80	-	48,172.37	-
\$ (26,656.65)	\$ 122,319.38	-	\$ (12,353.97)	\$ (19,241.34)	\$ 215.36	\$ 4,312.21



**TOWNSHIP OF PENNSAUKEN**  
TRUST - OTHER FUND  
Statement of Due to Bank  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 86.22
Increased by:	
Receipts	<u>792.00</u>
	878.22
Decreased by:	
Disbursements	<u>794.00</u>
Balance December 31, 2012	<u><u>\$ 84.22</u></u>

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

Balance December 31, 2011		\$ 131,030.69
Increased by:		
Due Current Fund:		
Refund Collected by Current Fund	\$ 5.00	
Receipts	<u>20,095,866.84</u>	
		<u>20,095,871.84</u>
		20,226,902.53
Decreased by:		
Disbursements	20,057,006.85	
Due Current Fund -- Fund Balance	<u>12,176.31</u>	
		<u>20,069,183.16</u>
Balance December 31, 2012		<u><u>\$ 157,719.37</u></u>

Analysis of Balance (Deficit), December 31, 2012

State of New Jersey Unemployment Insurance - Employer		\$ (29,377.40)
Police and Firemen's Retirement System		121,983.89
Public Employees' Retirement System		52,705.75
Public Employees' Retirement System -- Contributory Insurance		2,843.40
Public Employees' Retirement System -- Supplemental		86.68
Wage Attachments		290.78
Valic - Deferred Compensation		(100.00)
Union Dues -- AFSME		2,695.05
Union Dues -- Firemen's		1,433.48
United Way		186.00
Boston Mutual and ASI - (ELO I & II)		332.96
AFLAC I & II		4,507.78
Pennsauken Neighbors Helping Neighbors		<u>131.00</u>
		<u><u>\$ 157,719.37</u></u>

**TOWNSHIP OF PENNSAUKEN**  
TRUST - OTHER FUND  
Statement of Reserve for Economic Development --  
Urban Development Action Grant  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 5,338.28
Receipts:	
Interest on Investments and Deposits	<u>78.47</u>
	5,416.75
Decreased by:	
Disbursements	<u>3,600.00</u>
Balance December 31, 2012	<u><u>\$ 1,816.75</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**TRUST - OTHER FUND**  
Statement of Reserve for Community Development Block Grant Program  
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 206,405.22
Increased by:		
Accrued in 2012		103,500.00
		309,905.22
Decreased by:		
Due Current Fund		
Payments made by Current Fund	\$ 2,800.00	
Disbursements	173,162.93	
		175,962.93
Balance December 31, 2012		\$ 133,942.29
 <u>Analysis of Balance December 31, 2012</u>		
Year XXXI		\$ 6,694.56
Year XXXIII		23,747.73
Year XXXIV		103,500.00
		\$ 133,942.29

**TOWNSHIP OF PENNSAUKEN**  
**TRUST - OTHER FUND**  
Statement of Miscellaneous Trust Reserves  
For the Year Ended December 31, 2012

	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec. 31, 2012</u>
	<u>Balance Dec. 31, 2011</u>	<u>Receipts</u>	<u>Due Current Fund</u>	<u>Disbursements</u>	
Reserve for Street Opening Deposits	\$ 1,700.00	\$ 2,000.00		\$ 500.00	\$ 3,200.00
Reserve for Escrow Deposits	77,676.22	1,500.00	\$ 15,106.25	63,184.10	31,098.37
Reserve for Unemployment Compensation Insurance	987.56	2,611.45	59,627.87	61,396.61	1,830.27
Reserve for Parking Offense Adjudication Act	3,756.21		556.00		4,312.21
Reserve for Public Defender	1,346.73		47,041.00		\$ 48,172.37
Reserve for Planning and Zoning Deposits	124,469.40		168,383.95	162,981.92	998.50
Reserve for Special Law Enforcement Officers:					
State Allocation	23,963.86	20,526.32			44,490.18
Federal Allocation	8,912.27	0.81		6,561.57	2,351.51
Reserve for Housing Trust	137,267.68	510.08			137,777.76
Reserve for Worker's Compensation Insurance		736,848.22	76,382.89	812,830.36	400.75
	<u>\$ 380,079.93</u>	<u>\$ 763,996.88</u>	<u>\$ 367,097.96</u>	<u>\$ 1,107,454.56</u>	<u>\$ 49,170.87</u>
					<u>\$ 354,549.34</u>

**SUPPLEMENTAL EXHIBITS**  
**GENERAL CAPITAL FUND**

**TOWNSHIP OF PENNSAUKEN**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 278,440.59
Increased by Receipts:		
Due Current Fund	\$ 5,298,750.00	
Due Golf Course Utility Operating Fund	11,698.85	
Improvement Authorizations	<u>11,485.45</u>	
		<u>5,321,934.30</u>
		5,600,374.89
Decreased by Disbursements:		
Due Current Fund	2,150,000.00	
Improvement Authorizations	3,150,711.68	
Contracts Payable	<u>218,115.33</u>	
		<u>5,518,827.01</u>
Balance December 31, 2012		<u><u>\$ 81,547.88</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2012

	Balance (Overdraft) <u>Dec. 31, 2011</u>	Receipts	
		<u>Improvement Authorizations</u>	<u>Miscellaneous</u>
Due from State of New Jersey:			
Transportation Trust Fund Grant Receivable	\$ (52,825.42)		
Due Current Fund	(793,409.20)		\$ 5,298,750.00
Due Animal Control Fund	(28,000.00)		
Due Golf Course Utility Operating Fund			11,698.85
Contracts Payable	220,832.08		
Capital Improvement Fund	12,721.90		
Reserve for Payment of Bonds	42.00		
Fund Balance	77.10		
Improvement Authorizations:			
Ordinance			
<u>Number</u>			
07-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	8,658.18	
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	21,577.05	
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	371.35	
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	127,781.34	\$ 2,018.00
10-11	Improvements to Police Administration Building	66,062.19	
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	603,719.19	125.00
11-15	Acquisition of and Improvements to Various Abandoned Homes	90,832.83	9,342.45
12-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment		
12-08	Construction and Completion of Various Parks and Recreation Improvements		
12-14	Completion of Improvements to Various Parks and Recreation Facilities		
		\$ 278,440.59	\$ 11,485.45
			\$ 5,310,448.85



<u>Disbursements</u>		<u>Transfers</u>		<u>Balance</u> <u>(Overdraft)</u> <u>Dec. 31, 2012</u>
<u>Improvement</u> <u>Authorizations</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	
		\$ 249,000.00	\$ 199,784.17	\$ (102,041.25)
	\$ 2,150,000.00	4,310,334.17		(1,954,993.37)
		11,698.85		(28,000.00)
	218,115.33	2,716.75	1,182,237.12	1,182,237.12
		201,250.00	188,750.00	221.90
			96,800.00	96,842.00
				77.10
\$ 3,500.00				5,158.18
77.05		20,000.00		1,500.00
579.93				(208.58)
89,896.49			1,033.51	40,936.36
48,772.20				17,289.99
593,075.59		8,850.00	5,279.72	7,198.32
				100,175.28
1,313,383.00		1,153,387.12	3,133,352.37	666,582.25
800,000.00			800,000.00	
301,427.42			350,000.00	48,572.58
<u>\$ 3,150,711.68</u>	<u>\$ 2,368,115.33</u>	<u>\$ 5,957,236.89</u>	<u>\$ 5,957,236.89</u>	<u>\$ 81,547.88</u>

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

---

Balance December 31, 2011	\$ 25,325,000.00
Decreased by:	
2012 Budget Appropriation to Pay Bonds	<u>1,820,000.00</u>
Balance December 31, 2012	<u><u>\$ 23,505,000.00</u></u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	2012 Authorizations	Balance Dec. 31, 2012	Analysis of Balance December 31, 2012		
					Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
General Improvements:							
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,000.00		\$ 2,000.00		\$ 208.58	\$ 1,791.42
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	2,500.00		2,500.00	\$ 1,250.00	1,250.00	
12-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,731,250.00	2,731,250.00	2,731,250.00		
12-08	Construction and Completion of Various Parks and Recreation Improvements		760,000.00	760,000.00	760,000.00		
12-14	Completion of Improvements to Various Parks and Recreation Facilities		332,500.00	332,500.00	332,500.00		
		<u>\$ 4,500.00</u>	<u>\$ 3,823,750.00</u>	<u>\$ 3,828,250.00</u>	<u>3,825,000.00</u>	<u>\$ 1,458.58</u>	<u>\$ 1,791.42</u>
Improvement Authorizations Unfunded							\$ 673,045.68
Less Unexpended Proceeds of Bond Anticipation Notes Issued:							
Ordinance Number 2012:06							\$ 622,681.68
Ordinance Number 2012:14							<u>48,572.58</u>
							<u>671,254.26</u>
							<u>\$ 1,791.42</u>

**TOWNSHIP OF PENNSAUKEN**  
GENERAL CAPITAL FUND  
Statement of Due from State of New Jersey --  
Transportation Trust Fund Grant Receivable  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 52,825.42
Increased by:	
Accrued in 2012	
2012 Improvement Authorizations -- Funded	<u>249,000.00</u>
	301,825.42
Decreased by:	
Collected by the Current Fund	<u>199,784.17</u>
Balance December 31, 2012	<u><u>\$ 102,041.25</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GENERAL CAPITAL FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2012

Balance December 31, 2011			\$ 793,409.20
Increased by:			
2012 Budget Appropriation - Capital Improvement Fund	\$ 130,000.00		
2011 Appropriation Reserves -- Capital Improvement Fund	58,750.00		
Disbursements:			
Interfund Loans Returned	\$ 2,150,000.00		
Collections made by Current Fund:			
New Jersey Transportation Trust Fund Receivable	\$ 199,784.17		
Reserve for Payment of Bonds	96,800.00		
Bond Anticipation Notes Issued	<u>3,825,000.00</u>		
	<u>4,121,584.17</u>	<u>6,271,584.17</u>	
			<u>6,460,334.17</u>
Decreased by:			7,253,743.37
Receipts:			
Interfund Loans Received			<u>5,298,750.00</u>
Balance December 31, 2012			<u><u>\$ 1,954,993.37</u></u>

**TOWNSHIP OF PENNSAUKEN**  
GENERAL CAPITAL FUND  
Statement of Reserve for Payment of Bonds  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 42.00
Increased by:	
Collections Made by the Current Fund	<u>96,800.00</u>
Balance December 31, 2012	<u><u>\$ 96,842.00</u></u>

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

<u>Ordinance</u> <u>Number</u>	<u>Improvement Descriptions</u>	<u>Date</u>	<u>Ordinance</u> <u>Amount</u>	<u>Balance December 31, 2011</u>	
				<u>Funded</u>	<u>Unfunded</u>
General Improvements:					
07-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	03/28/07	\$ 2,364,000.00	\$ 8,658.18	
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	03/26/08	2,907,000.00	21,577.05	
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/25/2009	2,241,760.00	371.35	\$ 2,000.00
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	4/21/2010	2,012,700.00	127,781.34	
10-11	Improvements to Police Administration Building	4/26/2010	200,000.00	66,062.19	
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/25/2011	2,450,000.00	603,719.19	2,500.00
11-15	Acquisition of and Improvements to Various Abandoned Homes	6/29/2011	200,000.00	90,832.83	
12-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/21/2012	3,124,000.00		
12-08	Construction and Completion of Various Parks and Recreation Improvements	4/18/2012	800,000.00		
12-14	Completion of Improvements to Various Parks and Recreation Facilities	6/6/2012	350,000.00		
				<u>\$919,002.13</u>	<u>\$ 4,500.00</u>

Receipts  
 Due Golf Course Utility Operating Fund  
 Disbursements  
 Contracts Payable  
 New Jersey Transportation Trust Fund Grant Receivable



2012 Authorizations							
Capital Improvement Fund	Grants	Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Cancellation of Contracts Payable	Refunds	Balance December 31, 2012	
						Funded	Unfunded
			\$ 3,500.00			\$ 5,158.18	
			20,077.05			1,500.00	
			579.93				\$ 1,791.42
			89,896.49	\$ 1,033.51	\$ 2,018.00	40,936.36	
			48,772.20			17,289.99	
			601,925.59	1,683.24	2,471.48	8,448.32	
					9,342.45	100,175.28	
\$ 143,750.00	\$ 249,000.00	\$ 2,731,250.00	2,466,770.12		9,352.37	43,900.57	622,681.68
40,000.00		760,000.00	800,000.00				
17,500.00		332,500.00	301,427.42				48,572.58
<u>\$201,250.00</u>	<u>\$249,000.00</u>	<u>\$ 3,823,750.00</u>	<u>\$ 4,332,948.80</u>	<u>\$ 2,716.75</u>	<u>\$23,184.30</u>	<u>\$217,408.70</u>	<u>\$ 673,045.68</u>
					\$ 11,485.45		
					11,698.85		
			\$ 3,150,711.68				
			1,182,237.12				
	<u>\$249,000.00</u>						
	<u>\$249,000.00</u>		<u>\$ 4,332,948.80</u>		<u>\$23,184.30</u>		

**TOWNSHIP OF PENNSAUKEN**  
GENERAL CAPITAL FUND  
Statement of Contracts Payable  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 220,832.08
Increased by:		
Accrued in 2012		<u>1,182,237.12</u>
		1,403,069.20
Decreased by:		
Disbursements	\$ 218,115.33	
Cancellations:		
Improvement Authorizations	<u>2,716.75</u>	
		<u>220,832.08</u>
Balance December 31, 2012		<u><u>\$ 1,182,237.12</u></u>

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

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Balance December 31, 2011		\$ 12,721.90
Increased by:		
2012 Budget Appropriation -- Due Current Fund	\$ 130,000.00	
2011 Appropriation Reserves -- Due Current Fund	<u>58,750.00</u>	
		<u>188,750.00</u>
		201,471.90
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>201,250.00</u>
Balance December 31, 2012		<u><u>\$ 221.90</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GENERAL CAPITAL FUND**  
Statement of Bonds Anticipation Notes  
For the Year Ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount of Original Issue</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2012</u>
General Improvements:								
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 1,250.00	07/26/12	07/26/12	07/25/13	1.25%	\$ 1,250.00	\$ 1,250.00
12-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment	2,731,250.00	07/26/12	07/26/12	07/25/13	1.25%	2,731,250.00	2,731,250.00
12-08	Construction and Completion of Various Parks and Recreation Improvements	760,000.00	07/26/12	07/26/12	07/25/13	1.25%	760,000.00	760,000.00
12-14	Completion of Improvements to Various Parks and Recreation Facilities	332,500.00	07/26/12	07/26/12	07/25/13	1.25%	332,500.00	332,500.00
							<u>\$ 3,825,000.00</u>	<u>\$ 3,825,000.00</u>
Collected by Current Fund							<u>\$ 3,825,000.00</u>	

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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date of Maturity 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>Outstanding Dec. 31, 2012 Date</u>	<u>Amount</u>				
General Obligation Bonds	07/01/04	\$ 8,000,000.00	7/01/13-14	750,000.00	Varies	\$ 4,050,000.00	\$ 650,000.00	\$ 3,400,000.00
			07/01/15	900,000.00				
			07/01/16	1,000,000.00				
General Obligation Bonds	09/01/08	9,940,000.00	09/01/13	555,000.00	Varies	8,425,000.00	600,000.00	7,825,000.00
			09/01/14	600,000.00				
			09/01/15	515,000.00				
			09/01/16	475,000.00				
			09/01/17	715,000.00				
			09/01/18	745,000.00				
			09/01/19	775,000.00				
			09/01/20	810,000.00				
			09/01/21	845,000.00				
			09/01/22	885,000.00				
			09/01/23	905,000.00				
			General Obligation Bonds	08/31/11				
08/15/14	590,000.00							
08/15/15	600,000.00							
08/15/16	610,000.00							
08/15/17	850,000.00							
08/15/18	880,000.00							
08/15/19	905,000.00							
08/15/20	930,000.00							
08/15/21	960,000.00							
08/15/22	1,000,000.00							
08/15/23	1,035,000.00							
08/15/24	1,080,000.00							
08/15/25	1,120,000.00							
08/15/26	1,140,000.00							
						<u>\$ 25,325,000.00</u>	<u>\$ 1,820,000.00</u>	<u>\$ 23,505,000.00</u>

Due Current Fund

**TOWNSHIP OF PENNSAUKEN**  
**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>Notes Issued</u>	<u>Balance Dec. 31, 2012</u>
General Improvements:					
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,000.00			\$ 2,000.00
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	2,500.00		\$ 1,250.00	1,250.00
12-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,731,250.00	2,731,250.00	
12-08	Construction and Completion of Various Parks and Recreation Improvements		760,000.00	760,000.00	
12-14	Completion of Improvements to Various Parks and Recreation Facilities		332,500.00	332,500.00	
		<u>\$ 4,500.00</u>	<u>\$ 3,823,750.00</u>	<u>\$ 3,825,000.00</u>	<u>\$ 3,250.00</u>

**SUPPLEMENTAL EXHIBITS**  
**GOLF COURSE UTILITY FUND**

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY FUND**  
Statement of Golf Course Utility Cash  
Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2012

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2011	\$ 56,533.84	\$ 796.16
Increased by Receipts:		
Playing Fees	\$ 955,812.00	
Equipment Rental Fees	453,275.00	
Miscellaneous	204,403.17	
2012 Appropriation Refunds	54,884.37	
Petty Cash	150.00	
Due Bank	94.80	
Due Current Fund	856.30	
Due General Capital Fund	11,698.85	
Due Golf Course Utility Operating Fund		\$ 20,504.40
2011 Appropriation Reserves Refunds	<u>11,860.31</u>	
	<u>1,693,034.80</u>	<u>20,504.40</u>
	1,749,568.64	21,300.56
Decreased by Disbursements:		
2012 Appropriation	1,249,076.41	
Petty Cash	150.00	
Due Bank	190.41	
2011 Appropriation Reserves	15,368.12	
Due Current Fund	255,535.71	
Due General Capital Fund	11,698.85	
Due Golf Course Utility Capital Fund	20,500.00	
Improvement Authorizations		<u>20,044.12</u>
	<u>1,552,519.50</u>	<u>20,044.12</u>
Balance December 31, 2012	<u>\$ 197,049.14</u>	<u>\$ 1,256.44</u>



**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY CAPITAL FUND**  
 Analysis of Golf Course Utility Capital Cash  
 For the Year Ended December 31, 2012

	<u>Balance</u> (Overdraft) <u>December 31, 2011</u>	<u>Receipts</u> <u>Miscellaneous</u>	<u>Disbursements</u> Improvement <u>Authorizations</u>	<u>Balance</u> (Overdraft) <u>December 31, 2012</u>
Due Golf Course Utility Operating Fund	\$ (22,800.84)	\$ 20,504.40		\$ (2,296.44)
Capital Improvement Fund	3,029.00			3,029.00
Reserve for Preliminary Expenses	38.58			38.58
 Improvement Authorizations:				
Ordinance				
<u>Number</u>				
 General Improvements:				
08-10 Completion of Various Capital Improvements and Acquisition of Equipment	20,342.57		\$ 20,044.12	298.45
08-19 Acquisition of Real Property	186.85			186.85
	<u>\$ 796.16</u>	<u>\$ 20,504.40</u>	<u>\$ 20,044.12</u>	<u>\$ 1,256.44</u>

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Schedule of Change Funds  
 For the Year Ended December 31, 2012

Balance December 31, 2012	<u>\$ 800.00</u>
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**Exhibit SD-4**

Statement of Petty Cash Funds  
 For the Year Ended December 31, 2012

<u>Office</u>	<u>Received from</u> <u>Treasurer</u>	<u>Returned to</u> <u>Treasurer</u>
Golf Course	<u>\$ 150.00</u>	<u>\$ 150.00</u>

**Exhibit SD-5**

Statement of Due from Bank  
 For the Year Ended December 31, 2012

Disbursements	\$ 190.41
Decreased by: Receipts	<u>94.80</u>
Balance December 31, 2012	<u>\$ 95.61</u>

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Statement of Due from Current Fund  
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 1,237.42
Increased by:		
Disbursements:		
Payments made on behalf of the Current Fund--		
2012 Budget Appropriations	\$ 535.71	
Interfund Loans Returned	<u>255,000.00</u>	
		<u>255,535.71</u>
		256,773.13
Decreased by:		
Receipts -- Interfund Loans Received	856.30	
Payment made by Current Fund:		
Accrued Interest on Bonds and Notes	27,237.50	
Anticipated as Revenue in Current Fund Budget:		
2012 Budget Appropriation:		
Golf Course Utility -- Payment in Lieu of Taxes	\$ 175,000.00	
Payments made by Current Fund:		
2012 Budget Appropriations		
Bond Principal	50,000.00	
Other Expense	167.25	
Statutory Expenditures	<u>2,695.97</u>	
		<u>227,863.22</u>
		<u>255,957.02</u>
Balance December 31, 2012		<u><u>\$ 816.11</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY CAPITAL FUND**  
 Schedule of Fixed Capital  
 For the Year Ended December 31, 2012

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<u>Account</u>	<u>Balance</u> <u>December 31, 2012</u>
Construction of Clubhouse at the Golf Course	\$ 1,962,791.26
Improvements to Golf Course	2,380,843.86
Construction of a Clubhouse and the Restaurant Facility	150,000.00
Issuance Costs for Refunding Bonds	29,501.41
Construction of a Parking Lot	94,800.00
Construction of a Pool House and Maintenance Facility	180,000.00
Purchase of Golf Equipment	270,000.00
Construction of a Tunnel Under Haddonfield Road	850,000.00
	850,000.00
	\$ 5,917,936.53

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY CAPITAL FUND**  
 Schedule of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2012

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<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Ordinance</u> <u>Date</u>	<u>Amount</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
General Improvements:				
08-10	Completion of Various Capital Improvements and Acquisition of Equipment	4/26/2008	\$ 250,000.00	\$ 250,000.00
08-19	Acquisition of Real Property	6/18/2008	210,000.00	<u>210,000.00</u>
				<u>\$ 460,000.00</u>

**TOWNSHIP OF PENNSAUKEN**  
GOLF COURSE UTILITY CAPITAL FUND  
Statement of Due from Golf Course Utility Operating Fund  
For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 22,800.84
Decreased by:		
Receipts:		
Interfund Loans Received	\$ 20,500.00	
Interest on Investments and Deposits	<u>4.40</u>	
		<u>20,504.40</u>
Balance December 31, 2012		<u><u>\$ 2,296.44</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Statement of 2011 Appropriation Reserves  
 For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Operating:					
Salaries and Wages		\$ 84.01	\$ 84.01		\$ 84.01
Other Expenses	\$ 4,775.27	8,259.87	13,035.14	\$ 3,507.81	9,527.33
Total Operating	<u>4,775.27</u>	<u>8,343.88</u>	<u>13,119.15</u>	<u>3,507.81</u>	<u>9,611.34</u>
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		93.54	93.54		93.54
Total Utility Appropriations	<u>\$ 4,775.27</u>	<u>\$ 8,437.42</u>	<u>\$ 13,212.69</u>	<u>\$ 3,507.81</u>	<u>\$ 9,704.88</u>
Receipts:					
Refunds				\$ (11,860.31)	
Disbursements				<u>15,368.12</u>	
				<u>\$ 3,507.81</u>	

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY OPERATING FUND**  
 Statement of Accrued Interest on Bonds and Notes  
 For the Year Ended December 31, 2012

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Balance December 31, 2011		\$ 8,648.63
Increased by:		
2012 Budget Appropriation:		
Interest on Bonds		26,610.79
		35,259.42
Decreased by:		
Paid by Current Fund		27,237.50
Balance December 31, 2012		\$ 8,021.92

<u>Principal Outstanding December 31, 2012</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period (Days)</u>	<u>Amount</u>
General Improvement Bonds:					
2008 Issue:					
\$ 640,000.00	Varies	09/01/12	12/31/12	122	\$ 8,021.92



**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY CAPITAL FUND**  
**Statement of Improvement Authorizations**  
**For the Year Ended December 31, 2012**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Dec. 31, 2011 Funded</u>	<u>Disbursed</u>	<u>Dec. 31, 2012 Funded</u>
General Improvements:						
08-10	Completion of Various Capital Improvements and Acquisition of Equipment	4/26/08	\$ 250,000.00	\$ 20,342.57	\$ 20,044.12	\$ 298.45
08-19	Acquisition of Real Property	6/18/08	210,000.00	186.85		186.85
				<u>\$ 20,529.42</u>	<u>\$ 20,044.12</u>	<u>\$ 485.30</u>

**TOWNSHIP OF PENNSAUKEN**  
GOLF COURSE UTILITY CAPITAL FUND  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2012

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Balance December 31, 2011	\$ 5,687,936.53
Increased by:	
Payment of General Serial Bonds	<u>50,000.00</u>
Balance December 31, 2012	<u><u>\$ 5,737,936.53</u></u>

**TOWNSHIP OF PENNSAUKEN**  
**GOLF COURSE UTILITY CAPITAL FUND**  
 Statement of Golf Course Utility Capital Serial Bonds  
 For the Year Ended December 31, 2012

<u>Purpose</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>Decreased</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds	09/01/08	\$ 810,000.00	09/01/13	\$ 45,000.00				
			09/01/14	50,000.00				
			9/1/2015-16	40,000.00				
			9/1/2017-18	60,000.00				
			9/1/2019-20	65,000.00				
			9/1/2021-22	70,000.00				
			09/01/23	75,000.00				
					Varies	\$ 690,000.00	\$ 50,000.00	\$ 640,000.00
						<u>\$ 690,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 640,000.00</u>

**TOWNSHIP OF PENNSAUKEN**  
**PART 2**  
**SINGLE AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND STATE FINANCIAL ASSISTANCE REQUIRED BY STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Pennsauken  
Pennsauken, New Jersey 08110

***Report on Compliance for Each Major Federal and State Program***

We have audited the Township of Pennsauken's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the Township's major federal and state programs for the year ended December 31, 2012. The Township's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Township's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, Township of Pennsauken complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for year ended December 31, 2012.

**Report on Internal Control Over Compliance**

Management of Township of Pennsauken is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Pennsauken's internal control over compliance.

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

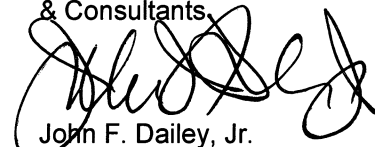
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 04-04-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



John F. Dailey, Jr.  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
July 3, 2013

**TOWNSHIP OF PENNSAUKEN**  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 2012

Federal Grantor/ Program Title	CFDA Number	Pass-through / Grantor's Number	Award Amount	Matching Contribution	Grant Period From To	
<u>Department of Housing and Urban Development</u>						
Passed through County of Camden:						
Community Development Block Grant:						
Year XXXI	14.218	N/A	\$ 131,846.00	N/A	07/01/09	06/30/10
Year XXXII	14.218	N/A	131,846.00	N/A	07/01/10	06/30/11
Year XXXIII	14.218	N/A	120,200.00	N/A	07/01/11	06/30/12
Year XXXIV	14.218	N/A	103,500.00	N/A	07/01/12	06/30/13
Total Department of Housing and Urban Development						
<u>U.S. Department of Justice</u>						
ARRA - Community Oriented Policing Hiring Recovery Program	16.710	2009RKWX0622	1,002,720.00	N/A	07/01/09	06/30/12
Edward Byrne Memorial -- Justice Assistance Grant	16.738	N/A	212,470.95	N/A	03/01/09	02/28/13
Justice Assistance Grant	16.738	N/A	21,763.00	N/A	10/01/09	09/30/13
Justice Assistance Grant	16.738	N/A	17,198.00	N/A	10/01/10	09/30/14
Justice Assistance Grant	16.738	N/A	13,266.00	N/A	10/01/11	09/30/15
Total U.S. Department of Justice						
<u>U.S. Department of Energy</u>						
ARRA - Energy Efficiency Conservation Block Grant	81.128	EE0002373	154,900.00	N/A	09/28/09	09/28/12
<u>U.S. Department of Transportation</u>						
Passed through State Department of Transportation:						
FY 2012 Municipal & Urban Aid Program	20.205	N/A	200,000.00	49,000.00	04/07/11	Completion
FY 2013 Municipal & Urban Aid Program	20.205	N/A	249,000.00	49,000.00	05/21/12	Completion
Occupant Protection Incentive Grants - Click it or Ticket	20.602	N/A	4,000.00	N/A	05/21/12	06/03/12
Total Highway Safety Cluster						
Total U.S. Department of Transportation						
<u>U.S. Department of Homeland Security</u>						
FEMA Emergency Management Assistance Program	97.042	N/A	5,000.00	N/A	10/01/11	09/30/12
Total Federal Financial Assistance						

(A) See Note 4 of the Schedules of Expenditures of Federal Awards and State Financial Assistance (if applicable)

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Balance Dec 31, 2011	Receipts or Revenues Realized	Adjustments (A)	Disbursements/ Expenditures	Encumbrances	Balance Dec 31, 2012	(Memo Only)	
						Cash Receipts	Accumulated Expenditures
\$ 6,894.56			\$ 200.00		\$ 6,694.56	\$ 600.00	\$ 125,151.44
83,562.93			83,562.93			19,326.00	131,846.00
115,947.73			92,200.00		23,747.73	80,025.20	96,452.27
	\$ 103,500.00				103,500.00		
206,405.22	103,500.00	-	175,962.93	-	133,942.29	99,951.20	353,449.71
412,802.43		\$ (82,266.85)	330,535.58			436,001.35	920,453.15
3,399.23		(101.55)	(6,982.41)		10,280.09	18,859.37	121,470.95
17,198.00			2,578.47		14,619.53	5,861.67	11,381.36
	13,266.00				13,266.00		2,578.47
20,597.23	13,266.00	(101.55)	(4,403.94)	-	38,165.62	24,721.04	135,430.78
433,399.66	13,266.00	(82,368.40)	326,131.64	-	38,165.62	460,722.39	1,055,883.93
25.00				\$ 25.00	-		154,875.00
29,159.67			29,159.67			199,958.00	249,000.00
	298,000.00		209,549.43		88,450.57	146,958.75	209,549.43
29,159.67	298,000.00	-	238,709.10	-	88,450.57	346,916.75	458,549.43
-	4,000.00	(145.36)	3,854.64		-	3,854.64	3,854.64
-	4,000.00	(145.36)	3,854.64	-	-	12,933.98	17,333.98
29,159.67	302,000.00	(145.36)	242,563.74	-	88,450.57	359,850.73	475,883.41
	5,000.00		5,000.00		-	5,000.00	5,000.00
\$ 668,989.55	\$ 423,766.00	\$ (82,513.76)	\$ 749,658.31	\$ 25.00	\$ 260,558.48	\$ 925,524.32	\$ 2,045,092.05



**TOWNSHIP OF PENNSAUKEN**  
 Schedule of Expenditures of State Financial Assistance  
 For the Year Ended December 31, 2012

<u>State Grantor/ Program Title</u>	<u>State GMIS Number</u>	<u>Program or Award Amount</u>	<u>Matching Contribution</u>	<u>Grant Period</u>	
				<u>From</u>	<u>To</u>
<u>State Department of Environmental Protection</u>					
Hazardous Discharge Site Remediation Fund	4910-100-042-4910	\$ 43,736.00	N/A	11/16/10	Completion
Green Acres Grant	4800-582-042-4800	900,000.00	\$900,000.00	01/01/11	12/31/11
Green Communities Grant Program	Not Available	3,000.00	1,500.00	07/01/12	06/30/14
<u>State Department of Treasury</u>					
Municipal Alliance on Alcoholism and Drug Abuse	2000-475-995120-60	29,528.00	9,500.00	01/01/12	12/31/12
Municipal Court Alcohol, Education and Rehabilitation Grant	9735-760-098-Y900	4,476.58	N/A	01/01/11	12/31/11
Municipal Court Alcohol, Education and Rehabilitation Grant	9735-760-098-Y900	7,878.60	N/A	01/01/12	12/31/12
<u>State Department of Law and Public Safety</u>					
Body Armor Replacement Fund Grant	1020-718-066-1020	7,753.92	N/A	01/01/11	12/31/11
Body Armor Replacement Fund Grant	1020-718-066-1020	8,083.47	N/A	01/01/12	12/31/12
Body Armor Replacement Fund Grant	1020-718-066-1020	8,205.78	N/A	01/01/12	12/31/12
Drunk Driving Enforcement Grant	6400-100-078-6400	31,313.86	N/A	07/01/10	06/30/11
Drunk Driving Enforcement Grant	6400-100-078-6400	35,032.06	N/A	07/01/11	06/30/12
Drive Sober or Get Pulled Over	Not Available	9,000.00	N/A	01/01/12	12/31/12
Pedestrian Safety and Education Enforcement Grant	Not Available	19,000.00	N/A	07/01/12	06/30/13

Total State Financial Assistance

(A) See Note 4 of the Schedules of Expenditures of Federal Awards and State Financial Assistance (if applicable)

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Balance Dec 31, 2011	Receipts or Revenues Realized	Adjustments (A)	Disbursements/ Expenditures	Encumbrances	Balance Dec 31, 2012	(Memo Only)	
						Cash Receipts	Accumulated Expenditures
\$ 22,106.97			\$ 18,086.22		\$ 4,020.75		\$ 39,715.25
1,800,000.00			1,800,000.00			\$ 900,000.00	1,800,000.00
	\$ 4,500.00	\$ (1,500.00)			3,000.00		
1,822,106.97	4,500.00	(1,500.00)	1,818,086.22	-	7,020.75	900,000.00	1,839,715.25
	39,028.00	(9,500.00)	26,350.00	\$ 3,178.00		23,300.00	26,350.00
6,172.68	7,878.60		1,434.00		4,738.68		1,434.00
					7,878.60	7,878.60	
6,172.68	46,906.60	(9,500.00)	27,784.00	3,178.00	12,617.28	31,178.60	27,784.00
			7,753.92				7,753.92
7,753.92				8,083.47			
8,083.47	8,205.78				8,205.78	8,205.78	
9,609.46			9,609.46				9,609.46
	35,032.06		30,341.61		4,690.45	35,032.06	30,341.61
	9,000.00	\$ (1,322.60)	7,677.40			7,677.40	7,677.40
	19,000.00	(563.12)	8,936.88		9,500.00		8,936.88
25,446.85	71,237.84	(1,885.72)	64,319.27	8,083.47	22,396.23	50,915.24	64,319.27
\$ 1,853,726.50	\$ 122,644.44	\$ (12,885.72)	\$ 1,910,189.49	\$ 11,261.47	\$ 42,034.26	\$ 982,093.84	\$ 1,931,818.52

**TOWNSHIP OF PENNSAUKEN**  
**Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance**  
**For the Year Ended December 31, 2012**

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Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Township of Pennsauken, County of Camden, State of New Jersey. The Township is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

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

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Federal and State Grant Fund	\$334,986.28	\$1,010,189.49	\$1,345,175.77
Trust Other Fund	175,962.93		175,962.93
General Capital Fund	238,709.10	900,000.00	1,138,709.10
	<u>\$749,658.31</u>	<u>\$1,910,189.49</u>	<u>\$2,659,847.80</u>

Note 4: **ADJUSTMENTS**

Amounts reported in the columns entitled "Adjustments" on the Schedules of Expenditures of Federal Awards and State Financial Assistance are represented by the following:

	<u>Federal</u>	<u>State</u>
In Kind Services Local Match		\$11,000.00
Canceled Awards	\$82,513.76	1,885.72
	<u>\$82,513.76</u>	<u>\$12,885.72</u>

Note 5: **MAJOR PROGRAMS**

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

**TOWNSHIP OF PENNSAUKEN**  
**PART 3**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**TOWNSHIP OF PENNSAUKEN**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2012**

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

**Financial Statements**

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified?      yes   X   no

Were significant deficiencies identified that were not considered to be a material weakness?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards**

Internal control over compliance:

Material weaknesses identified?      yes   X   no

Were significant deficiencies identified that were not considered to be a material weakness?      yes   X   none reported

Type of auditor's report on compliance for major programs Unqualified

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

Identification of major programs:

<b><u>CFDA Numbers</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
16.710	ARRA - Community Oriented Policing Hiring Recovery Program

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

Auditee qualified as low-risk auditee?   X   yes      no

**TOWNSHIP OF PENNSAUKEN**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2012**

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

**State Financial Assistance**

Internal control over compliance:

Material weaknesses identified? \_\_\_\_\_ yes X no

Were significant deficiencies identified that were not considered to be a material weakness? \_\_\_\_\_ yes X none reported

Type of auditor's report on compliance for major programs \_\_\_\_\_ Unqualified \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? \_\_\_\_\_ yes X no

Identification of major programs:

<b><u>GMIS Numbers</u></b>	<b><u>Name of State Program</u></b>
4800-582-042-4800	Green Acres Grant

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes X no

**TOWNSHIP OF PENNSAUKEN**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2012**

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***Section 2- Schedule of Financial Statement Findings***

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

**Finding No. 2012-1**

**Criteria or Specific Requirement**

Government Accounting Standards Board, Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, requires all local governments to establish standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial report of the local government.

**Condition**

The Township did not obtain an actuarial valuation of its Other Post Employment Benefits (OPEB) required for footnote disclosure. For CY 2012, the Township provided its employees and retirees, health insurance coverage through Horizon Blue Cross Blue Shield of New Jersey.

**Context**

The Township provides health insurance coverage to retirees and did not obtain an actuarial valuation of the plan.

**Effect**

The Township's note disclosure for Other Post Employment Benefits Other than Pensions does not comply with the provisions of Government Accounting Standards Board, Statement No. 45.

**Cause**

Due to the constraints provided by current budget laws, Township officials determined that the cost of compliance outweighed the benefits and elected to not fund the cost of an actuarial evaluation.

**Recommendation**

That the Township obtain an actuarial valuation of its Other Post Employment Benefits (OPEB) for proper footnote disclosure.

**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 PENNSAUKEN**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2012**

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

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

None.



**TOWNSHIP OF PENNSAUKEN**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2012**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

None.

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

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This section identifies the status of prior year findings related to the financial statements and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, and State of New Jersey Circular 04-04-OMB.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2011-1**

**Condition**

The Township did not obtain an actuarial valuation of its Other Post Employment Benefits (OPEB) required for footnote disclosure. For CY 2011, the Township provided its employees and retirees, health insurance coverage through Horizon Blue Cross Blue Shield of New Jersey.

**Current Status**

This condition remains unchanged (See Finding No. 2012-1)

**Planned Corrective Action**

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

**Finding No. 2011-2**

**Condition**

At the time of the audit, the bank accounts of the Municipal Court were not reconciled.

**Current Status**

This condition has been resolved.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

Not Applicable.

**TOWNSHIP OF PENNSAUKEN**  
**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
John Kneib	Mayor	
Rick Taylor	Deputy Mayor	
John Figueroa	Committeeman	
Jack Killion	Committeeman	
Betsy McBride	Committeeman	
Ed Grochowski	Administrator	\$ 500,000.00 (B)
Gene Padalino	Township Clerk, Deputy Registrar of Vital Statistics	20,000.00 (C)
Ronald S. Crane	Chief Financial Officer	265,000.00 (C)
Walter Nicgorski	Treasurer	500,000.00 (B)
Daniel O'Brien	Tax Collector, Tax Search Clerk	275,000.00 (D)
Steven M. Petrillo	Judge of the Municipal Court	75,000.00 (A)
Freida E. Virnelli	Municipal Court Director	75,000.00 (A)
Donna Kenney	Municipal Court Administrator	75,000.00 (A)
John Dymond	Tax Assessor	500,000.00 (B)
Dennis O'Rourke	Engineer	500,000.00 (B)
Michael E. Joyce	Solicitor	

All of the bonds were examined and were properly executed.

- (A) All Municipal Court employees handling funds were covered by a Multiple Public Employees' Honesty Blanket Position written by Commerce National Insurance.
- (B) All employees handling funds were covered by a Multiple Public Employees' Honesty Blanket Position written by Travelers Casualty and Surety Company of America.
- (C) The Fidelity & Deposit Company of Maryland.
- (D) The Travelers Casualty and Surety Company of America.

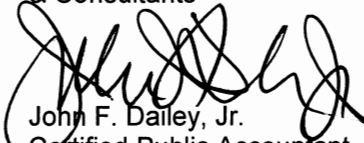
13800

**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



John F. Dailey, Jr.  
Certified Public Accountant  
Registered Municipal Accountant

