

TOWNSHIP OF PENNSAUKEN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2011



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TOWNSHIP OF PENNSAUKEN
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

INDEPENDENT AUDITOR'S REPORT

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

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, 2011 and 2010, 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, 2011. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Pennsauken, in the County of Camden, State of New Jersey, as of December 31, 2011 and 2010, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Pennsauken, in the County of Camden, State of New Jersey, as of December 31, 2011 and 2010, 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, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

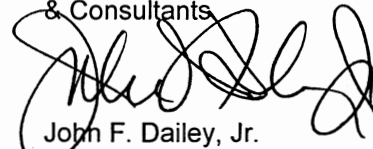
In accordance with Government Auditing Standards, we have also issued our report dated July 11, 2012 on our consideration of the Township of Pennsauken, in the County of Camden, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements as a whole. 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements. The supplementary financial statements presented for the various funds and the schedule of expenditures of federal awards 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Voorhees, New Jersey
July 11, 2012

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

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

We have audited the financial statements (regulatory basis) of the Township of Pennsauken, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated July 11, 2012, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified one deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency in internal control over financial reporting as finding no.: 2011-2. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Pennsauken's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Questioned Costs as findings no. 2011-1 and 2011-2.

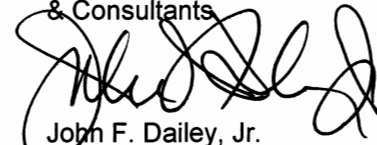
The Township of Pennsauken's responses to the findings identified in our report are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Township of Pennsauken's responses and, accordingly, we express no opinion on it.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Voorhees, New Jersey
July 11, 2012

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2011 and 2010

ASSETS:	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Cash -- Treasurer	SA-1	\$ 6,164,243.31	8,783,408.19
Cash -- Collector	SA-2	1,471.49	392,579.66
Cash -- Change Funds	SA-3	950.00	950.00
Due from State of New Jersey -- Veterans' and Senior Citizens' Deductions	SA-5	<u>2,417.32</u>	<u> </u>
		<u>6,169,082.12</u>	<u>9,176,937.85</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-6	2,270,448.48	2,355,227.38
Tax Title Liens Receivable	SA-7	238,584.04	191,485.48
Municipal Assessments Receivable	SA-8	53,857.08	45,047.89
Payments in Lieu of Taxes Receivable	SA-9		3,805.77
Protested Checks Receivable	SA-10	1,691.51	8,131.73
Due from Bank	SA-11	129.30	189.30
Revenue Accounts Receivable	SA-12	162,638.12	153,644.97
Property Acquired for Taxes (at Assessed Valuation)	SA-13	2,550,800.00	2,532,000.00
Due from Township of Pennsauken Library	SA-14	540.45	
Due from Pennsauken Housing Authority	SA-15	<u>330.22</u>	<u> </u>
Due from Pennsauken Free Public Library		<u>5,279,019.20</u>	<u>5,289,532.52</u>
Total Regular Fund		<u>11,448,101.32</u>	<u>14,466,470.37</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-30	1,493,490.39	786,718.78
Due from Current Fund	SA-31	<u>360,793.76</u>	<u>41,005.30</u>
Total Federal and State Grant Fund		<u>1,854,284.15</u>	<u>827,724.08</u>
Total Assets		<u>\$ 13,302,385.47</u>	<u>\$ 15,294,194.45</u>

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2011 and 2010

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Liabilities:			
Due to State of New Jersey --			
Veterans' and Senior Citizens' Deductions	SA-5		\$ 2,111.79
Due to Pennsauken Housing Authority	SA-15		2.13
Prepaid Payments in Lieu of Taxes	SA-16	\$ 7,336.13	8,005.07
Appropriation Reserves	A-3, SA-17	339,252.07	177,765.54
Reserve for Encumbrances	A-3, SA-17	143,855.02	279,724.30
Due to Pennsauken Garbage District	SA-18	4,980.07	2,203.94
Due to Camden County Municipal Utility Authority	SA-19		741.16
Due to Pennsauken Sewerage Authority	SA-20		188.22
Prepaid Taxes	SA-21	603,853.44	411,120.08
Tax Overpayments	SA-22	94.05	30,047.32
Due to State of New Jersey:			
Training Fees -- Surcharge	SA-23	11,015.00	17,503.00
Marriage and Domestic Partner Licenses	SA-24	750.00	2,675.00
Due to County for Added and Omitted Taxes	SA-26	15,459.58	27,514.91
Local School Taxes Payable	SA-27	3,082,219.15	6,176,718.00
Due to Federal and State Grant Fund	SA-31	360,793.76	41,005.30
Due to Trust - Other Fund	SB-8	66,682.95	30,189.76
Due to General Capital Fund	SC-6	793,409.20	1,156,935.75
Due to Golf Course Utility Operating Fund	SD-6	1,237.42	1,562.40
		<u>5,430,937.84</u>	<u>8,366,013.67</u>
Reserves for Receivables and Other Assets		5,279,019.20	5,289,532.52
Fund Balance	A-1	<u>738,144.28</u>	<u>810,924.18</u>
Total Regular Fund		<u>11,448,101.32</u>	<u>14,466,470.37</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants --			
Unappropriated	SA-32	8,083.47	7,753.92
Appropriated	SA-33	1,829,808.86	812,598.39
Reserve for Encumbrances	SA-33	<u>16,391.82</u>	<u>7,371.77</u>
Total Federal and State Grant Fund		<u>1,854,284.15</u>	<u>827,724.08</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 13,302,385.47</u>	<u>\$ 15,294,194.45</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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 750,000.00	\$ 750,000.00
Miscellaneous Revenues Anticipated	13,909,997.57	11,989,218.78
Receipts from Delinquent Taxes	1,948,059.22	2,052,221.08
Receipts from Current Taxes	78,055,255.52	75,959,863.65
Non-Budget Revenues	169,525.85	340,497.64
Other Credits to Income:		
Refund of Prior Year Expenditures:		
Receipts	444,978.26	47,196.27
Due Federal and State Grant Fund	673.08	
Due Trust Other Fund	2,548.24	
Unexpended Balance of Appropriation Reserves	34,131.53	8,933.94
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		1,238.83
Due from Bank	60.00	
Protested Checks	6,440.22	
	95,322,598.90	91,149,170.19
 Total Income	 95,322,598.90	 91,149,170.19
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	15,787,340.00	15,495,745.00
Other Expenses	10,332,855.00	9,890,383.00
Deferred Charges and Regulatory Expenditures Within "CAPS"	3,901,973.20	3,385,253.22
Operations Excluded from "CAPS":		
Salaries and Wages	51,190.44	66,015.95
Other Expenses	1,853,023.80	1,426,425.98
Capital Improvements Excluded from "CAPS"	1,012,500.00	92,500.00
Municipal Debt Service Excluded from "CAPS"	2,517,005.77	2,469,338.58
Prior Year Veterans' and Senior Citizens' Deductions Disallowed	23,765.49	22,959.46
County Taxes	18,068,037.46	16,904,143.80
Due County for Added and Omitted Taxes	15,459.58	27,514.91
Local School District Taxes	37,049,782.50	36,765,857.50
Garbage District Taxes	4,020,000.00	3,977,250.00
Cancellation of Federal and State Grant Receivable	1.00	2,741.31

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Expenditures (Cont'd)</u>		
Refund of Prior Year Revenue:		
Disbursements	\$ 4,294.92	\$ 37,321.26
Due Federal and State Grant Fund	6,165.52	
Due Trust Other Funds	1,113.45	350.00
Creation of Reserves for:		
Due from Bank		189.30
Due from Pennsauken Free Public Library	540.45	
Due from Pennsauken Housing Authority	330.22	
Protested Checks Receivable		2,760.77
	<u>94,645,378.80</u>	<u>90,566,750.04</u>
 Total Expenditures		
	<u>94,645,378.80</u>	<u>90,566,750.04</u>
 Excess in Revenue	 677,220.10	 582,420.15
<u>Fund Balance</u>		
Balance January 1	<u>810,924.18</u>	<u>978,504.03</u>
	1,488,144.28	1,560,924.18
Decreased by:		
Utilization as Anticipated Revenue	<u>750,000.00</u>	<u>750,000.00</u>
Balance December 31	<u>\$ 738,144.28</u>	<u>\$ 810,924.18</u>

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, 2011

	<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	\$ 750,000.00	-	\$ 750,000.00	-
Miscellaneous Revenues - Local Revenues:				
Licenses:				
Alcoholic Beverages	60,400.00		60,400.00	
Other	47,185.00		35,011.00	\$ (12,174.00)
Fees and Permits	385,060.00		389,975.61	4,915.61
Fines and Costs:				
Municipal Court	992,330.00		1,049,060.81	56,730.81
Interest and Costs on Taxes	457,960.00		521,296.58	63,336.58
Interest on Investments and Deposits	104,994.05		100,531.18	(4,462.87)
Swimming Pool Admissions	48,270.00		46,885.00	(1,385.00)
Cable Franchise Fees	92,032.03		92,032.03	
Miscellaneous Revenues - State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax Relief Aid	644,230.00		644,230.00	
Energy Receipts Tax (P.L. 1997, Chapter 162 & 167)	4,854,920.00		4,854,920.00	
Miscellaneous Revenues - Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
Uniform Construction Code Fees	449,490.00		484,942.00	35,452.00

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2011

	<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		31,313.86	31,313.86	
Emergency Management Assistance Program	\$ 5,000.00		5,000.00	
Body Armor Replacement Fund Grant	7,753.92		7,753.92	
Governor's Council on Alcoholism and Drug Abuse		29,528.00	29,528.00	
Hazardous Discharge Site Remediation Fund		43,736.00	43,736.00	
Municipal Court Alcohol, Education and Rehabilitation Fund Grant		4,476.58	4,476.58	
"Click It or Ticket 2011 Grant		4,000.00	4,000.00	
Over the Limit, Under Arrest Mobilization Grant		4,400.00	4,400.00	
Justice Assistance Grant (JAG)		17,198.00	17,198.00	
Camden County DWI Checkpoint Grant		2,000.00	2,000.00	
Delaware River Port Authority Open Space Initiative Grant		700,000.00	700,000.00	
New Jersey Department of Environmental Protection -- Green Acres Grant		900,000.00	900,000.00	
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	980,455.00		1,059,226.90	\$ 78,771.90
Payments in Lieu of Taxes	2,049,680.00		2,151,236.17	101,556.17
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, 2011

	<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	\$ 170,000.00		\$ 160,000.00	\$ (10,000.00)
Uniform Fire Safety Act -- Life Hazard Use Fees	192,876.25		198,480.18	5,603.93
General Capital Fund -- Capital Surplus	37,363.75		37,363.75	
Total Miscellaneous Revenues	11,830,000.00	\$ 1,761,652.44	13,909,997.57	318,345.13
Receipts from Delinquent Taxes	2,300,000.00	-	1,948,059.22	(351,940.78)
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	20,536,702.12		20,618,678.10	81,975.98
Minimum Library Tax	888,297.88	-	888,297.88	
Total Amount to be Raised by Taxes for Support of Municipal Budget	21,425,000.00		21,506,975.98	81,975.98
Budget Totals	36,305,000.00	1,761,652.44	38,115,032.77	48,380.33
Non-Budget Revenues	-	-	169,525.85	169,525.85
Total Revenues	\$ 36,305,000.00	\$ 1,761,652.44	\$ 38,284,558.62	\$ 217,906.18

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue from Collections		\$ 78,055,255.52
Allocated to:		
School, County and Special District Taxes		<u>59,153,279.54</u>
Balance for Support of Municipal Budget Appropriations		18,901,975.98
Add: Appropriation "Reserve for Uncollected Taxes"		<u>2,605,000.00</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 21,506,975.98</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		\$ 1,923,157.18
Tax Title Lien Collections		<u>24,902.04</u>
		<u>\$ 1,948,059.22</u>
Licenses -- Other:		
Construction Code Official:		
Builder	\$ 12,989.00	
Clerk:		
Board of Health	6,380.00	
Marriage	652.00	
Peddler / Solicitor	950.00	
Precious Metals	295.00	
Raffle	500.00	
Taxicab	10,995.00	
Used Car Lot	<u>2,250.00</u>	
	<u>22,022.00</u>	
		<u>\$ 35,011.00</u>
Fees and Permits:		
Construction Code Official:		
Building Permits	\$ 258,834.00	
Certificates of Compliance -- Elevator	25,751.00	
Certificates of Occupancy	14,288.00	
Electrical Permits	100,056.00	
Fire Sub code Permits	18,154.00	
Plumbing Permits	56,793.00	
Street Opening Permits	<u>11,066.00</u>	
		<u>\$ 484,942.00</u>
Fees and Permits -- Other:		
Construction Code Official:		
Housing Code Letters	\$ 26,675.00	
Rent Board Applications	41,825.00	
Trash Dumpster Permit	<u>3,675.00</u>	
	<u>\$ 72,175.00</u>	

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Realized Revenues (Cont'd)

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

Recreation		\$	13,635.10
Clerk:			
Bid Specifications	\$		2,670.00
Coin Operated Device Permits			560.00
Municipal Improvement Searches			20.00
Outdoor Sign Rental			9,899.58
Tax Searches			1,046.00
Vital Statistics			12,095.00
Zoning Books			60.00
			26,350.58
Fire Department:			
Fire Inspection Fees			142,408.75
Police Department:			
Accident and Police Reports			14,899.95
Planning and Zoning:			
Planning Board Fees			7,000.00
Zoning Board Fees			17,640.00
			24,640.00
Treasurer:			
Cellular Telephone Lease Agreements			72,462.02
State Burial Permits			640.00
State Death Certificates			13,890.00
State Hotel Fee			8,874.21
			95,866.23
			\$ 389,975.61

Analysis of Non-Budget Revenues

Miscellaneous Revenues not Anticipated:

Revenue Accounts Receivable:

Construction Code Official:

Penalties and Fines	\$		5,400.00
Photocopies			4.46

\$ 5,404.46

Clerk:

Photocopies			87.62
Showmobile			1,935.00

2,022.62

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Non-Budget Revenues (Cont'd)

Miscellaneous Revenues not Anticipated (Cont'd):

Revenue Accounts Receivable (Cont'd):

Tax Office:

Advertising and Certification Costs	\$ 25,603.94
Certificates of Redemption	2,295.00
Duplicate Bills	116.00
Interest on Municipal Assessments Receivable	3,547.62
Interest on Payment in Lieu of Taxes	440.93
Municipal Assessments Receivable	<u>22,541.70</u>

\$ 54,545.19

\$ 61,972.27

Treasurer:

Receipts:

Auction Sales -- Township Property	24,152.87
Board Up Charges	69.00
Easements	12,500.00
Grass Cutting Charges	1,196.07
Insufficient Funds Fees	180.00
Miscellaneous Refunds	47,975.92
Premium on Tax Anticipation Notes	4,962.00
Sale of Scrap Metal	1,627.62
Senior Citizen and Veteran Deductions - Administrative Fee	<u>8,214.37</u>

100,877.85

Due from Trust - Other Fund:

Collections made on behalf of Current Fund:

Miscellaneous Refunds

6,675.73

\$ 169,525.85

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, 2011

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>		<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>		
OPERATIONS -- WITHIN "CAPS"						
General Government:						
Mayor and Township Committee						
Salaries and Wages	\$ 82,515.00	\$ 82,515.00	\$ 82,157.08		\$ 357.92	
Other Expenses	4,275.00	4,275.00	3,765.00	\$ 27.79	482.21	
Administrative and Executive						
Salaries and Wages	280,910.00	285,335.00	285,328.90		6.10	
Other Expenses	5,150.00	5,150.00	4,134.20	1,000.00	15.80	
Municipal Clerk's Office						
Salaries and Wages	133,600.00	133,600.00	133,550.30		49.70	
Other Expenses	35,750.00	35,750.00	34,183.58	915.87	650.55	
Data Processing Center						
Other Expenses	100,000.00	100,000.00	76,096.72		23,903.28	
Purchasing Department						
Salaries and Wages	68,590.00	68,590.00	68,585.99		4.01	
Other Expenses	18,000.00	18,000.00	14,070.70	1,127.25	2,802.05	
Financial Administration						
Salaries and Wages	286,800.00	286,950.00	286,945.67		4.33	
Other Expenses	76,750.00	76,750.00	72,601.14		4,148.86	
Assessment of Taxes						
Salaries and Wages	128,220.00	131,295.00	131,275.25		19.75	
Other Expenses	9,000.00	9,000.00	8,723.89		276.11	
Collection of Taxes						
Salaries and Wages	168,210.00	175,960.00	175,940.06		19.94	
Other Expenses	28,200.00	30,900.00	29,452.08	1,416.00	31.92	
Audit Services						
Other Expenses	110,000.00	110,000.00	110,000.00			
Human Resources						
Salaries and Wages	76,410.00	76,410.00	76,405.08		4.92	
Other Expenses	5,000.00	5,000.00	5,000.00			
Legal Services and Costs						
Salaries and Wages		8,725.00	8,721.98		3.02	
Other Expenses	175,000.00	222,500.00	217,285.02	3,471.97	1,743.01	
Engineering Services and Costs						
Salaries and Wages	129,475.00	129,475.00	129,474.24		0.76	
Other Expenses	900.00	3,850.00	887.15	2,482.30	480.55	

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<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):						
Public Buildings and Grounds						
Salaries and Wages	\$ 47,750.00	\$ 49,250.00	\$ 49,243.17		\$ 6.83	
Other Expenses	28,725.00	28,725.00	25,597.22	\$ 395.19	2,732.59	
Municipal Prosecutor						
Salaries and Wages	65,365.00	65,365.00	65,359.84		5.16	
Municipal Court						
Salaries and Wages	502,965.00	499,765.00	499,552.45		212.55	
Other Expenses	48,500.00	48,500.00	45,072.34	3,355.71	71.95	
Maintenance of Township Owned Property						
Other Expenses	4,350.00	4,350.00		4,350.00		
Rent Leveling Board						
Other Expenses	1,620.00	1,620.00	1,620.00			
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages	74,540.00	72,540.00	72,137.87		402.13	
Other Expenses	3,600.00	3,600.00	3,513.37		86.63	
Zoning Board						
Salaries and Wages	74,540.00	71,615.00	71,167.90		447.10	
Other Expenses	1,500.00	1,500.00	1,344.90		155.10	
Insurance:						
Employee Group Health	5,277,480.00	5,244,480.00	5,244,394.95		85.05	
General Liability	705,400.00	706,150.00	701,709.39	4,242.07	198.54	
Workers' Compensation	294,600.00	437,100.00	435,717.11		1,382.89	
Unemployment Insurance	54,400.00	60,500.00	60,472.13		27.87	
Economic Development						
Salaries and Wages	165,185.00	165,185.00	165,183.99		1.01	
Other Expenses	65,050.00	65,050.00	64,916.21	34.60	99.19	
Dog Warden						
Other Expenses	156,250.00	156,250.00	156,250.00			

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<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:						
Fire Department						
Salaries and Wages	\$ 1,044,610.00	\$ 1,038,910.00	\$ 1,038,728.64		\$ 181.36	
Other Expenses:						
Fire Department	307,500.00	310,025.00	298,528.29	\$ 8,560.15	2,936.56	
Fire Hydrant Service	47,500.00	48,700.00	40,579.80	8,115.96	4.24	
Aid to Volunteer Fire Companies	42,500.00	42,500.00	42,500.00			
Police						
Salaries and Wages	8,880,260.00	8,700,260.00	8,618,407.04		81,852.96	
Other Expenses	356,300.00	371,300.00	321,733.02	27,532.51	22,034.47	
Police Communications						
Salaries and Wages	605,455.00	571,455.00	570,710.54		744.46	
Police Reserve						
Salaries and Wages	5,800.00	5,800.00	5,560.00		240.00	
Traffic Control						
Salaries and Wages	236,835.00	238,035.00	238,020.00		15.00	
Other Expenses	16,500.00	16,500.00	10,776.14	2,156.19	3,567.67	
First Aid Organization						
Salaries and Wages	1,210,480.00	1,220,980.00	1,219,813.34		1,166.66	
Other Expenses	104,000.00	112,000.00	97,019.76	10,012.10	4,968.14	
Emergency Management Services						
Salaries and Wages	4,430.00	4,430.00	4,428.12		1.88	
Other Expenses	600.00	600.00	379.32		220.68	
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Salaries and Wages	310,485.00	312,535.00	312,504.00		31.00	
Other Expenses	15,000.00	15,000.00	12,498.09	1,691.12	810.79	
Streets and Roads:						
Public Works						
Salaries and Wages	603,820.00	600,520.00	600,493.09		26.91	
Other Expenses	47,000.00	47,000.00	43,577.72	2,494.11	928.17	
Township Garage						
Salaries and Wages	182,070.00	168,270.00	167,871.64		398.36	
Other Expenses	109,500.00	129,500.00	115,276.88	12,193.59	2,029.53	
Street Lighting	742,200.00	742,200.00	641,223.59		100,976.41	

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>		<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>		
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Health and Welfare:						
Senior Citizens of Pennsauken Township						
Salaries and Wages	\$ 19,765.00	\$ 20,415.00	\$ 20,403.88		\$ 11.12	
Other Expenses	14,550.00	14,550.00	10,558.41	\$ 3,000.00	991.59	
Utility Expenses:						
Motor Fuels	286,400.00	294,400.00	294,361.83		38.17	
Electricity	284,900.00	284,900.00	231,758.77		53,141.23	
Telephone	98,500.00	98,500.00	84,912.85	10.90	13,576.25	
Natural Gas or Propane	50,000.00	65,000.00	56,440.79	8,509.42	49.79	
Sewerage Authority	5,355.00	5,355.00	5,314.32		40.68	
Recreation and Education:						
Recreation						
Salaries and Wages	89,175.00	89,600.00	89,598.70		1.30	
Other Expenses	16,100.00	19,600.00	14,376.10	5153.90	70.00	
Swimming Pool						
Salaries and Wages	37,100.00	38,825.00	38,820.96		4.04	
Other Expenses	20,500.00	22,200.00	21,792.72	359.96	47.32	
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	32,000.00	32,000.00	31,827.79	172.21		
Shade Tree Commission						
Other Expenses	500.00	500.00	500.00			
Historical Preservation						
Other Expenses	12,000.00	12,000.00	10,817.98	537.15	644.87	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Official						
Salaries and Wages	407,570.00	395,570.00	395,548.72		21.28	
Other Expenses	238,250.00	269,525.00	232,796.36	30,537.00	6,191.64	
Unclassified:						
Sick Pay	80,910.00	79,160.00	79,148.75		11.25	
Total Operations within "CAPS"	26,060,995.00	26,120,195.00	25,637,444.82	143,855.02	338,895.16	-

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<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 -- WITHIN "CAPS" (CONT'D)						
Detail:						
Salaries and Wages	\$ 16,003,840.00	\$ 15,787,340.00	\$ 15,701,087.19		\$ 86,252.81	
Other Expenses (Including Contingent)	10,057,155.00	10,332,855.00	9,936,357.63	\$ 143,855.02	252,642.35	
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL -- WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System-ERI Liability	988,715.33	983,515.33	983,476.30		39.03	
Social Security System (O.A.S.I.)	612,174.87	613,574.87	613,312.15		262.72	
Police and Fireman's Retirement System of N.J.	2,360,283.00	2,304,883.00	2,304,827.84		55.16	
Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"	3,961,173.20	3,901,973.20	3,901,616.29	-	356.91	-
Total General Appropriations for Municipal Purposes -- Within "CAPS"	30,022,168.20	30,022,168.20	29,539,061.11	143,855.02	339,252.07	
OPERATIONS -- EXCLUDED FROM "CAPS"						
Employee Group Health	141,510.00	141,510.00	141,510.00			
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"	1,029,807.88	1,029,807.88	1,029,807.88	-	-	-

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<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:						
Drunk Driving Enforcement						
Police						
Salaries and Wages (N.J.S. 40A:4-87. \$31,313.86+)		\$ 31,313.86	\$ 31,313.86			
Body Armor Replacement Fund						
Police						
Other Expenses	\$ 7,753.92	7,753.92	7,753.92			
Camden County DWI Checkpoint Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87. \$2,000.00+)		2,000.00	2,000.00			
Municipal Court Alcohol, Education and Rehabilitation Grant						
Municipal Court						
Salaries and Wages (N.J.S. 40A:4-87. \$4,476.58+)		4,476.58	4,476.58			
Governors Council on Alcoholism and Drug Abuse						
Other Expenses (N.J.S. 40A:4-87. \$29,528.00+)		29,528.00	29,528.00			
New Jersey Department of Environmental Protection						
Hazardous Discharge Site Remediation Fund						
Other Expenses (N.J.S. 40A:4-87. \$43,736.00+)		43,736.00	43,736.00			
New Jersey Division of Highway Safety Traffic:						
"Click it Or Ticket 2011" Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$4,000.00+)		4,000.00	4,000.00			
"Over the Limit Under Arrest" Mobilization Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$4,400.00+)		4,400.00	4,400.00			
Justice Assisstance Grant (JAG)						
Police						
Other Expenses (N.J.S. 40A:4-87. \$17,198.00+)		17,198.00	17,198.00			
Camden County Recreation Facilities						
Enhancement Grant						
Other Expenses (N.J.S. 40A:4-87. \$25,000.00+)		25,000.00	25,000.00			
Delaware River Port Authority Open Space Initiative Grant						
Other Expenses (N.J.S. 40A:4-87. \$700,000.00+)		700,000.00	700,000.00			
Emergency Management Assisstance Grant FY 2010						
Emergency Management						
Salaries and Wages	\$ 5,000.00	5,000.00	5,000.00			
Total Public and Private Programs Offset by Revenues	12,753.92	874,406.36	874,406.36	-	-	-

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2011

	<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)						
Total Operations - Excluded from "CAPS"	\$ 1,042,561.80	\$ 1,904,214.24	\$ 1,904,214.24	-	-	-
Detail:						
Salaries and Wages	5,000.00	51,190.44	51,190.44			
Other Expenses	1,037,561.80	1,853,023.80	1,853,023.80			
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
New Jersey Department of Environmental Protection Green Acres Program (N.J.S. 40A:4-87. \$900,000.00+)		900,000.00	900,000.00			
Capital Improvement Fund	112,500.00	112,500.00	112,500.00			
Total Capital Improvement Program -- Excluded from "CAPS"	112,500.00	1,012,500.00	1,012,500.00	-	-	-
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"						
Payment of Bond Principal	1,797,000.00	1,797,000.00	1,797,000.00			
Interest on Bonds	543,236.00	543,236.00	543,236.00			
Interest on Notes	182,534.00	182,534.00	176,769.77			\$ 5,764.23
Total Municipal Debt Service -- Excluded from "CAPS"	2,522,770.00	2,522,770.00	2,517,005.77	-	-	5,764.23
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	3,677,831.80	5,439,484.24	5,433,720.01	-	-	5,764.23
Subtotal General Appropriations	33,700,000.00	35,461,652.44	34,972,781.12	\$ 143,855.02	\$ 339,252.07	5,764.23
Reserve for Uncollected Taxes	2,605,000.00	2,605,000.00	2,605,000.00	-	-	-
Total General Appropriations (Carried Forward)	\$ 36,305,000.00	\$ 38,066,652.44	\$ 37,577,781.12	\$ 143,855.02	\$ 339,252.07	\$ 5,764.23

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2011

	<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>
Total General Appropriations (Brought Forward)	\$ 36,305,000.00	\$ 38,066,652.44	\$ 37,577,781.12	\$ 143,855.02	\$ 339,252.07	\$ 5,764.23
Appropriated by 40A:4-87 Budget		\$ 1,761,652.44 <u>36,305,000.00</u>				
		<u>\$ 38,066,652.44</u>				
Refunds:						
Receipts			\$ (1,839,555.07)			
Disbursements			31,344,920.26			
Reserve for Federal and State Grants -- Appropriated			1,774,406.36			
Reserve for Uncollected Taxes			2,605,000.00			
Due Animal Control Fund			156,250.00			
Due Trust - Other Fund			3,423,693.61			
Due General Capital Fund			112,500.00			
Due Golf Course Utility Operating Fund			<u>565.96</u>			
			<u>\$ 37,577,781.12</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, 2011 and 2010

ASSETS:	Ref.	2011	2010
Animal Control Fund:			
Cash	SB-1	\$ 659.66	\$ 3,770.19
Miscellaneous Accounts Receivable	SB-2	4,177.27	8,487.41
Deferred Charge -- Deficit in Reserve for Animal Control Expenditures	SB-6	<u>23,163.07</u>	<u> </u>
Total Animal Control Fund		<u>28,000.00</u>	<u>12,257.60</u>
Other Funds:			
Cash	SB-1	455,247.66	522,683.62
Community Development Block Grant Receivable	SB-7	207,453.38	158,486.41
Due from Current Fund	SB-8	<u>66,682.95</u>	<u>30,189.76</u>
Total Other Funds		<u>729,383.99</u>	<u>711,359.79</u>
Total Assets		<u>\$ 757,383.99</u>	<u>\$ 723,617.39</u>
LIABILITIES AND RESERVES:			
Animal Control Fund:			
Due to General Capital Fund	SC-7	\$ 28,000.00	\$ 10,000.00
Prepaid Animal Control Licenses	SB-4		447.00
Reserve for Animal Control Fund Expenditures	SB-6	<u> </u>	<u>1,810.60</u>
Total Animal Control Fund		<u>28,000.00</u>	<u>12,257.60</u>
Other Funds:			
Due to Estate of Roland Frederick Kuehne	B	6,443.65	6,443.65
Due to Bank	SB-9	86.22	86.01
Reserve for Payroll Deductions Payable	SB-10	131,030.69	152,836.28
Reserve for Economic Development -- Urban Development Action Grant	SB-11	5,338.28	3,432.61
Reserve Community Development Block Grant	SB-12	206,405.22	136,938.98
Miscellaneous Trust Reserves:			
Reserve for Street Opening Deposits	SB-13	1,700.00	1,600.00
Reserve for Escrow Deposits	SB-13	77,676.22	82,254.72
Reserve for Unemployment Compensation Insurance	SB-13	987.56	1,502.03
Reserve for Parking Offense Adjudication Act	SB-13	3,756.21	3,130.21
Reserve for Public Defender	SB-13	1,346.73	68.41
Reserve for Planning and Zoning Deposits	SB-13	124,469.40	104,650.47
Reserve for Special Law Enforcement Officers:			
State Allocation	SB-13	23,963.86	46,754.96
Federal Allocation	SB-13	8,912.27	35,485.28
Reserve for Housing Trust	SB-13	<u>137,267.68</u>	<u>136,176.18</u>
Total Other Funds		<u>729,383.99</u>	<u>711,359.79</u>
Total Liabilities and Reserves		<u>\$ 757,383.99</u>	<u>\$ 723,617.39</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, 2011 and 2010

ASSETS:	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	SC-1, SC-2	\$ 278,440.59	\$ 44,018.71
Deferred Charges to Future Taxation:			
Funded	SC-3	25,325,000.00	14,272,000.00
Unfunded	SC-4	4,500.00	10,527,000.00
Due from State of New Jersey:			
Transportation Trust Fund Grant Receivable	SC-5	52,825.42	71,455.78
Due from Current Fund	SC-6	793,409.20	1,156,935.75
Due from Animal Control Fund	SC-7	28,000.00	10,000.00
Total Assets		<u>\$ 26,482,175.21</u>	<u>\$ 26,081,410.24</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Reserve for Payment of Bonds	SC-2	42.00	
Improvement Authorizations:			
Funded	SC-8	919,002.13	\$ 24,244.69
Unfunded	SC-8	4,500.00	1,117,998.45
Contracts Payable	SC-9	220,832.08	104,331.45
Capital Improvement Fund	SC-10	12,721.90	471.90
Bond Anticipation Notes	SC-11		10,525,000.00
General Serial Bonds	SC-12	25,325,000.00	14,272,000.00
Fund Balance	C-1	77.10	37,363.75
Total Liabilities, Reserves and Fund Balance		<u>\$ 26,482,175.21</u>	<u>\$ 26,081,410.24</u>

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

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Year Ended December 31, 2011

Balance December 31, 2010	\$	37,363.75
Increased by:		
Premium on Bond Anticipation Notes Issued -- Due Current Fund		77.10
		37,440.85
Decreased by:		
Anticipated as Revenue in Current Fund		37,363.75
Balance December 31, 2011	\$	77.10

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2011 and 2010

ASSETS:	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Cash	SD-1	\$ 56,533.84	\$ 75,126.65
Cash -- Change Fund	SD-3	800.00	800.00
Due from Vendor	SD-5		14,100.00
Due from Current Fund	SD-6	<u>1,237.42</u>	<u>1,562.40</u>
Total Operating Fund		<u>58,571.26</u>	<u>91,589.05</u>
Capital Fund:			
Cash	SD-1, SD-2	796.16	2,153.84
Fixed Capital	SD-7	5,917,936.53	5,717,936.53
Fixed Capital Authorized and Uncompleted	SD-8	460,000.00	660,000.00
Due from Golf Course Utility Operating Fund	SD-9	<u>22,800.84</u>	<u>30,176.14</u>
Total Capital Fund		<u>6,401,533.53</u>	<u>6,410,266.51</u>
Total Assets		<u>\$ 6,460,104.79</u>	<u>\$ 6,501,855.56</u>
LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>		
Operating Fund:			
Appropriation Reserves	D-3, SD-10	\$ 8,437.42	\$ 8,632.61
Reserve for Encumbrances	D-3, SD-10	4,775.27	5,053.72
Due to Golf Course Utility Capital Fund	SD-9	22,800.84	30,176.14
Accrued Interest on Bonds and Notes	SD-11	<u>8,648.63</u>	<u>8,481.51</u>
		<u>44,662.16</u>	<u>52,343.98</u>
Fund Balance	D-1	<u>13,901.39</u>	<u>39,245.07</u>
Total Operating Fund		<u>58,563.55</u>	<u>91,589.05</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-12	20,529.42	25,394.81
Contracts Payable	SD-13		1,500.00
Reserve for Amortization	SD-14	5,687,936.53	5,652,936.53
Serial Bonds	SD-15	690,000.00	725,000.00
Capital Improvement Fund	D	3,029.00	3,029.00
Reserve for Preliminary Expenses	D	38.58	38.58
Fund Balance	D-2, SD-9	<u>2,367.59</u>	<u>2,367.59</u>
Total Capital Fund		<u>6,401,533.53</u>	<u>6,410,266.51</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 6,460,097.08</u>	<u>\$ 6,501,855.56</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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 35,337.41	\$ 36,930.00
Playing Fees	870,914.00	933,484.00
Equipment Rental Fees	396,979.00	398,567.00
Miscellaneous	203,023.71	195,256.79
Capital Fund Balance	2,367.59	
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	9,339.14	20,332.53
 Total Income	 <u>1,517,960.85</u>	 <u>1,584,570.32</u>
<u>Expenditures</u>		
Operating	1,396,450.00	1,431,800.00
Capital Outlay		
Debt Service	63,717.12	69,482.06
Deferred Charges and Statutory Expenditures	47,800.00	48,700.00
 Total Expenditures	 <u>1,507,967.12</u>	 <u>1,549,982.06</u>
 Excess in Revenue	 9,993.73	 34,588.26
<u>Fund Balance</u>		
Balance January 1	<u>39,245.07</u>	<u>41,586.81</u>
	49,238.80	76,175.07
Decreased by:		
Utilized as Revenue in Golf Course Utility Operating Budget	<u>35,337.41</u>	<u>36,930.00</u>
 Balance December 31	 <u>\$ 13,901.39</u>	 <u>\$ 39,245.07</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, 2011

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 35,337.41	\$ 35,337.41	-
Playing Fees	933,480.00	870,914.00	\$ (62,566.00)
Equipment Rental Fees	398,565.00	396,979.00	(1,586.00)
Miscellaneous	195,250.00	203,023.71	7,773.71
	<u>1,527,295.00</u>	<u>1,470,916.71</u>	<u>(56,378.29)</u>
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:			
Golf Course Utility Capital Fund - Fund Balance	2,367.59	2,367.59	-
	<u>\$ 1,565,000.00</u>	<u>\$ 1,508,621.71</u>	<u>\$ (56,378.29)</u>
<u>Analysis of Realized Revenues:</u>			
Playing Fees:			
Greens Fees		\$ 695,934.00	
Golf Memberships		<u>174,980.00</u>	
			<u>\$ 870,914.00</u>
Equipment Rental Fees:			
Gas Carts		\$ 393,927.00	
Hand Carts		952.00	
Golf Bag Rental		150.00	
Locker Rental		<u>1,950.00</u>	
			<u>\$ 396,979.00</u>
Miscellaneous:			
Due from Vendor -- Concessionaire Lease			
Receipts:			
Concessionaire Lease	\$ 169,250.00		
Interest on Investments and Deposits	1,035.03		
Miscellaneous	<u>32,738.68</u>		
		<u>203,023.71</u>	
Due from Golf Course Utility Capital Fund:			\$ 203,023.71
			<u>\$ 203,023.71</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, 2011

	<u>Appropriations</u>		<u>Paid or Charged</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Operating:						
Salaries and Wages	\$ 654,700.00	\$ 654,700.00	\$ 629,815.99		\$ 84.01	\$ 24,800.00
Other Expenses	626,550.00	626,550.00	593,514.86	\$ 4,775.27	8,259.87	20,000.00
Payment in Lieu of Taxes -- Current Fund	170,000.00	170,000.00	160,000.00			10,000.00
Total Operating	1,451,250.00	1,451,250.00	1,383,330.85	4,775.27	8,343.88	54,800.00
Debt Service:						
Payment of Bond Principal	35,000.00	35,000.00	35,000.00			
Interest on Bonds	28,750.00	28,750.00	28,717.12			32.88
Total Debt Service	63,750.00	63,750.00	63,717.12	-	-	32.88
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	50,000.00	50,000.00	47,706.46	-	93.54	2,200.00
Total Utility Appropriations	\$ 1,565,000.00	\$ 1,565,000.00	\$ 1,494,754.43	\$ 4,775.27	\$ 8,437.42	\$ 57,032.88
Refunds:						
Receipts			\$ (57,719.49)			
Disbursements			1,328,415.86			
Interest on Bonds			28,717.12			
Due Current Fund			195,340.94			
			\$ 1,494,754.43			

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, 2011

<u>Fixed Assets</u>	<u>Balance</u> <u>December 31, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance</u> <u>December 31, 2011</u>
Land and Buildings (at Assessed Valuation)	\$ 12,830,545.00			\$ 12,017,055.00	\$ 24,847,600.00
Computers and Computer Equipment	18,211.00	\$ 95,845.00			114,056.00
Furniture and Equipment	8,057,200.85	551,452.00			8,608,652.85
Vehicles	8,663,629.15	416,213.00	\$ 231,199.00		8,848,643.15
Total Fixed Assets	\$ 29,569,586.00	\$ 1,063,510.00	\$ 231,199.00	\$ 12,017,055.00	\$ 42,418,952.00
Total Investment in Fixed Assets	\$ 29,569,586.00	\$ 1,063,510.00	\$ 231,199.00	\$ 12,017,055.00	\$ 42,418,952.00

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, 2011

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**

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. Land and Buildings are valued at assessed valuation. 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

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

General Fixed Assets (Cont'd) - Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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.

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

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

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 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, 2011, the Township's bank balances of \$7,758,590.48 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized \$33,119.35

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, 2011 the Township's deposits with the New Jersey Cash Management Fund are \$5,840.58.

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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$ 5.190</u>	<u>\$ 5.004</u>	<u>\$ 4.825</u>	<u>\$ 4.697</u>	<u>\$ 4.505</u>
Apportionment of Tax Rate:					
Municipal	\$1.323	\$1.322	\$1.210	\$1.141	\$1.052
Municipal Library	0.057				
County	1.164	1.080	1.084	1.045	.999
Local School	2.387	2.348	2.277	2.265	2.220
Special District Tax					
Garbage District	.259	.254	.254	.246	.234

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

2011	\$ 1,552,450,010.00
2010	1,565,842,650.00
2009	1,602,108,438.00
2008	1,610,507,618.00
2007	1,616,545,946.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
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%
2007	72,914,872.93	70,638,491.04	96.88%

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>
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%
2007	95,421.82	2,297,923.17	2,393,344.99	3.28%

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>
2011	36
2010	41
2009	25
2008	15
2007	9

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>
2011	\$2,550,800.00
2010	2,532,000.00
2009	2,642,000.00
2008	2,732,000.00
2007	2,757,700.00

Note 5: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
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%
2007	2,988,172.62	900,000.00	30.12%
<u>Golf Course Utility Operating Fund</u>			
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%
2007	171,326.21	106,600.00	62.22%

Note 6: **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, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current		\$ 1,222,123.33
Federal and State Grant	\$ 360,793.76	
Animal Control		28,000.00
Trust - Other	66,682.95	
General Capital	821,409.20	
Golf Course Utility Operating	1,237.42	22,800.84
Golf Course Utility Capital	22,800.84	
	<u>\$ 1,272,924.17</u>	<u>\$ 1,272,924.17</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2012, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: **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 can participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year.

Note 7: **PENSION PLANS (CONT'D)**

The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Public Employees Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Township</u>
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
2009	309,226.00	282,049.00	591,275.00	591,275.00

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>
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
2009	1,114,927.00	721,257.00	1,836,184.00	1,836,184.00

Note 7: PENSION PLANS (CONT'D)

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

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

At December 31, 2011, the Township has no participants in the 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, 2011 was \$50,580.00 payable in annual installments of \$5,058.00 with the last installment due on April 1, 2021. For Program 2, the accrued liability as of December 31, 2011 was \$128,480.00 payable in annual installments of \$5,840.00 with the last installment due on April 1, 2033. For Program 4, the accrued liability as of December 31, 2011 was \$893,340.00 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 8: 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/.

Note 8: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)

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.

The Township contributions to SHBP for the years ended December 31, 2011, 2010, and 2009, were \$72,267.88, \$60,307.15, and \$54,612.60, respectively, which equaled the required contributions for each year. There were six retired participants eligible at December 31, 2011, 2010, and 2009.

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 2011, 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 9: 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.

Note 9: **COMPENSATED ABSENCES (CONT'D)**

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2011, accrued benefits for compensated absences are valued at \$1,823,446.40.

Note 10: **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 11: **LEASE OBLIGATIONS**

At December 31, 2011, the Township had lease agreements in effect for the following:

Capital:

- Six (6) 2009 Ford Crown Victoria
- Two (2) 2009 Ford Explorers
- Seven (7) 2010 Ford Crown Victoria
- One (1) 2010 Ford Explorer
- Seventy-six (76) Golf Carts

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.

	<u>Balance</u>	
	<u>Dec. 31, 2011</u>	<u>Dec. 31, 2010</u>
Vehicles	<u>\$ 87,684.20</u>	<u>\$ 300,900.03</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 87,684.20	\$ 2,341.48	\$ 90,025.68

Note 11: **LEASE OBLIGATIONS (CONT'D)**

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

<u>Year</u>	<u>Amount</u>
2012	\$ 8,388.00
2013	4,893.00

Rental payments under operating leases for the year 2011 were \$8,388.00.

Note 12: **CAPITAL DEBT**

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 25,325,000.00	\$ 24,797,000.00	\$ 24,617,000.00
Water Utility:			
Bonds and Notes (Note A)	8,425,085.55	8,971,239.00	8,473,426.54
Golf Course Utility:			
Bonds and Notes	<u>690,000.00</u>	<u>725,000.00</u>	<u>765,000.00</u>
Total Issued	<u>34,440,085.55</u>	<u>34,493,239.00</u>	<u>33,855,426.54</u>
Deductions:			
Funds Temporarily Held to Pay Notes -- General	42.00		
Debt to be Refunded -- Cherokee Pennsauken LLC			51,000,000.00
Self-liquidating Debt	<u>9,115,085.55</u>	<u>9,696,239.00</u>	<u>8,473,426.54</u>
Total Deductions	<u>9,115,127.55</u>	<u>9,696,239.00</u>	<u>59,473,426.54</u>
Net Debt Issued	<u>25,324,958.00</u>	<u>24,797,000.00</u>	<u>(25,618,000.00)</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>4,500.00</u>	<u>2,000.00</u>	<u>51,002,000.00</u>
	<u>\$ 25,329,458.00</u>	<u>\$ 24,799,000.00</u>	<u>\$ 25,384,000.00</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.

Note 12: **CAPITAL DEBT (CONT'D)****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 .095%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 25,705,000.00	\$25,705,000.00	
Water Utility Debt (Note A)	8,425,085.55	8,425,085.55	
Golf Course Utility	690,000.00	690,000.00	
General	<u>25,329,500.00</u>	<u>42.00</u>	<u>\$25,329,458.00</u>
	<u>\$ 60,149,585.55</u>	<u>\$ 34,820,127.55</u>	<u>\$25,329,458.00</u>

Net Debt \$25,329,458.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$2,677,599,303.00 equals .095%.

Borrowing Power under N.J.S.A. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 93,715,975.61
Net Debt	<u>25,329,458.00</u>
Remaining Borrowing Power	<u>\$ 68,386,517.61</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	\$1,508,629.42
Deductions:	
Operating and Maintenance Cost	\$ 1,406,545.00
Debt Service	<u>63,550.00</u>
Total Deductions	<u>1,470,095.00</u>
Excess in Revenue	<u>\$ 38,534.42</u>

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

**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		\$7,209,372.45
Deductions:		
Operating and Maintenance Cost	\$ 5,448,988.60	
Debt Service	<u>656,729.82</u>	
Total Deductions		<u>6,105,718.43</u>
Excess in Revenue		<u>\$1,103,654.02</u>

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>	
2012	\$1,820,000.00	\$856,369.02	\$50,000.00	\$27,237.50	\$2,753,606.52
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
2017-2021	8,415,000.00	2,151,318.80	320,000.00	68,400.00	10,954,718.80
2022-2026	7,165,000.00	692,587.52	145,000.00	8,800.00	8,011,387.52

Note 13: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	Balance	
	<u>Dec. 31, 2011</u>	
Animal Control Fund:		
Deficit in Reserve for Animal Control Fund Expenditures	\$23,163.07	(1)
(1) Funded in 2012 by 2011 Appropriation Reserves.		

Note 14: 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>
2011	\$ 67,009.99	\$ 67,524.46	\$ 987.56
2010	76,055.37	74,553.34	1,502.03
2009	67,610.46	78,741.20	

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2011 are \$1,286.68.

Note 15: 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, 2011, there is no balance in the reserve. Any funds required for claims will be paid and charged to the 2012 or future budgets.

Note 16: 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 17: **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.

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 2011.

Note 18: **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 19: **SUBSEQUENT EVENTS**

Subsequent to December 31, 2011, several tax appeals on file against the Township were resolved resulting in the cancellation and refund of \$246,025.97 property taxes paid.

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

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Various Capital Improvements	March 28, 2012	\$2,731,250.00
	Various Capital Improvements	April 18, 2012	<u>760,000.00</u>
			<u>\$3,491,250.00</u>

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, 2011

	<u>Regular</u>	<u>Federal and State Grant</u>
Balance December 31, 2010	\$ 8,783,408.19	-
Increased by Receipts:		
Refund of Prior Year Expenditures	\$ 444,978.26	
Miscellaneous Revenue not Anticipated	100,877.85	
2011 Appropriation Refunds	1,839,555.07	
2010 Appropriation Reserve Refunds	85,509.58	
Tax Collector	81,013,979.44	
Petty Cash Funds	1,750.00	
Protested Checks	9,974.00	
Revenue Accounts Receivable	11,190,260.66	
Due Township of Pennsauken Library	1,405.78	
Due Pennsauken Housing Authority	6,979.25	
Due Pennsauken Garbage District	2,761,574.00	
Due State of New Jersey -- Veteran and Senior Citizen Deductions	410,718.60	
Due State of New Jersey -- Training Fees Surcharge	26,769.00	
Due State of New Jersey -- Marriage Licenses	5,200.00	
Due Bank	724.37	
Federal and State Grants Receivable		\$ 1,067,448.98
Tax Anticipation Notes	8,000,000.00	
Due Federal and State Grant Fund	314,295.02	
Due Animal Control Fund	200,000.00	
Due Trust - Other Funds	338,665.14	
Due General Capital Fund	18,361,577.10	
Due Golf Course Utility Capital Fund	<u>363,000.00</u>	
	<u>125,477,793.12</u>	<u>\$ 1,067,448.98</u>
	134,261,201.31	1,067,448.98

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2011

	<u>Regular</u>	<u>Federal and State Grant</u>
Decreased by Disbursements:		
Refund of Prior Year Revenue	\$ 4,294.92	
2011 Appropriations	31,344,920.26	
Petty Cash Funds	1,750.00	
Due Pennsauken Housing Authority	7,311.60	
Protested Checks	10,127.09	
2010 Appropriation Reserves	486,617.89	
Due Pennsauken Garbage District	2,758,797.87	
Due Pennsauken Free Public Library	1,946.23	
Tax Overpayments	81,803.70	
Due State of New Jersey -- Training Fees Surcharge	33,257.00	
Due State of New Jersey -- Marriage Licenses	7,125.00	
County Taxes Payable	18,068,037.46	
Due County for Added and Omitted Taxes	27,514.88	
Local School District Tax Payable	40,144,281.35	
Special District Tax Payable	4,020,000.00	
Due Bank	664.37	
Reserve for Federal and State Grants -- Appropriated		\$ 753,153.96
Tax Anticipation Notes	8,000,000.00	
Due Current Fund		314,295.02
Due Animal Control Fund	356,250.00	
Due Trust - Other Fund	3,715,877.54	
Due General Capital Fund	18,822,489.90	
Due Golf Course Utility Operating Fund	<u>203,890.94</u>	
	<u>\$ 128,096,958.00</u>	<u>\$ 1,067,448.98</u>
Balance December 31, 2011	<u>\$ 6,164,243.31</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, 2011

Balance December 31, 2010		\$	392,579.66
Increased by Receipts:			
Interest and Costs on Taxes	\$ 521,296.58		
Taxes Receivable	78,812,791.16		
Tax Title Liens	24,902.04		
Payment in Lieu of Taxes Receivable	216,488.67		
Protested Checks	68,974.39		
Revenue Accounts Receivable	62,271.25		
Prepaid Payment in Lieu of Taxes	7,336.13		
Prepaid Taxes	603,853.44		
Tax Overpayments	367,338.69		
			80,685,252.35
			81,077,832.01
Decreased by Disbursements:			
Payments to Treasurer	81,013,979.44		
Protested Checks	62,381.08		
			81,076,360.52
Balance December 31, 2011		\$	1,471.49

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2011

Balance December 31, 2011	\$ 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, 2011

<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 Due to/ from State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2011

Balance December 31, 2010 (Due to)		\$ 2,111.79
Increased by:		
Receipts	\$ 410,718.60	
Prior Year Veteran and Senior Citizens' Deductions		
Disallowed per Collector	<u>23,765.49</u>	
		<u>434,484.09</u>
		436,595.88
Decreased by:		
Accrued in 2011:		
Per the Tax Billings:		
Senior Citizen	\$ 142,250.00	
Disabled Persons	23,250.00	
Surviving Spouse	1,750.00	
Veterans	193,000.00	
Widow of a Veteran	<u>75,000.00</u>	
	435,250.00	
Adjustments by Collector:		
Allowed	6,108.84	
Disallowed	<u>(5,595.64)</u>	
	435,763.20	
Prior Year Veteran and Senior Citizens' Deductions		
Allowed per Collector:		
2010	<u>3,250.00</u>	
		<u>439,013.20</u>
Balance December 31, 2011 (Due from)		<u><u>\$ 2,417.32</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Taxes Receivable
 For the Year Ended December 31, 2011

Year	Balance	2011 Levy	Added Taxes	Collections		Due from State of New Jersey	Transferred to Tax Title Liens	Overpayments Applied	Cancellations	Balance
	Dec. 31, 2010			2010	2011					Dec. 31, 2011
2006	8,654.71			\$	432.43					\$ 8,222.28
2007	11,891.53				2,613.19					9,278.34
2008	10,326.28				1,080.01					9,246.27
2009	42,355.96				35,327.40		\$ 67.55			6,961.01
2010	2,281,998.90		\$ 23,765.49		1,859,619.31	\$ 3,250.00	6,968.30	\$ 20,834.84	\$ 396,301.30	18,790.64
	2,355,227.38	-	23,765.49	-	1,899,072.34	3,250.00	7,035.85	20,834.84	396,301.30	52,498.54
2011		\$ 80,641,346.33		\$ 411,120.08	76,913,718.82	435,763.20	71,455.30	294,653.42	296,685.57	2,217,949.94
	\$ 2,355,227.38	80,641,346.33	\$ 23,765.49	\$ 411,120.08	78,812,791.16	\$ 439,013.20	\$ 78,491.15	\$ 315,488.26	692,986.87	\$ 2,270,448.48

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

\$ 23,765.49

Analysis of 2011 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 76,552,167.46
Special District Tax	4,020,000.00
Added / Omitted Taxes	<u>69,178.87</u>
	<u>\$ 80,641,346.33</u>

Tax Levy:

Local District School Tax	\$ 37,049,782.50
County Taxes:	
County Tax	\$ 18,068,037.46
Due County for Added and Omitted Taxes	<u>15,459.58</u>
Total County Taxes	18,083,497.04
Garbage District Taxes	4,020,000.00
Local Tax for Municipal Purposes	20,536,702.12
Levied for Municipal Library	888,297.88
Add: Additional Tax Levied	<u>63,066.79</u>
Local Tax for Municipal Purposes Levied	<u>21,488,066.79</u>

\$ 80,641,346.33

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 191,485.48
Increased by:		
Interest and Costs from Tax Sales of June 29, 2011	\$ 1,311.61	
Transferred from Municipal Assessments Receivable	915.00	
Transferred from Taxes Receivable:		
2011	71,455.30	
2010	6,968.30	
2009	<u>67.55</u>	
		<u>80,717.76</u>
		272,203.24
Decreased by:		
Foreclosed -- Property Acquired for Taxes -- (At Assessed Valuation)	8,717.16	
Receipts:		
Collector	<u>24,902.04</u>	
		<u>33,619.20</u>
Balance December 31, 2011		<u><u>\$ 238,584.04</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Municipal Assessments Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 45,047.89
Increased by:		
2011 Assessment Accrued		42,196.78
		87,244.67
Decreased by:		
Foreclosed -- Property Acquired for Taxes -- (At Assessed Valuation)	\$ 9,930.89	
Transferred to Tax Title Lien	915.00	
Revenue Accounts Receivable -- Collector	22,541.70	
		33,387.59
Balance December 31, 2011		\$ 53,857.08

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Payment in Lieu of Taxes Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 3,805.77
Increased by:		
Accrued in 2011		<u>220,687.97</u>
		224,493.74
Decreased by:		
Application of 2010 Prepaid Payment in Lieu of Taxes	\$ 8,005.07	
Receipts:		
Collector	<u>216,488.67</u>	
		<u>\$ 224,493.74</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Protested Checks Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 8,131.73
Increased by:		
Disbursements:		
Checks Protested -- Treasurer	\$ 10,127.09	
Checks Protested -- Collector	<u>62,381.08</u>	
		<u>72,508.17</u>
		80,639.90
Decreased by:		
Receipts:		
Checks Protested -- Treasurer	9,974.00	
Checks Protested -- Collector	<u>68,974.39</u>	
		<u>78,948.39</u>
Balance December 31, 2011		<u><u>\$ 1,691.51</u></u>

Exhibit SA-11

CURRENT FUND
Statement of Due from Bank
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 189.30
Increased by:		
Disbursements		<u>664.37</u>
		853.67
Decreased by:		
Receipts		<u>724.37</u>
Balance December 31, 2011		<u><u>\$ 129.30</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2011

	Balance <u>Dec. 31, 2010</u>	Accrued <u>in 2011</u>	<u>Collected</u>		<u>Interfunds</u>	Balance <u>Dec. 31, 2011</u>
			<u>Collector</u>	<u>Treasurer</u>		
Treasurer:						
Cable Franchise Fees	\$ 92,032.03	\$ 94,174.41		\$ 92,032.03		\$ 94,174.41
Consolidated Municipal Property Tax Relief Aid		644,230.00		644,230.00		
Energy Receipts Tax		4,854,920.00		4,854,920.00		
Payments in Lieu of Taxes		1,926,742.43		1,926,742.43		
Lease of Municipal Assets -- Landfill		250,000.00		250,000.00		
Golf Course Utility -- Payment in Lieu of Taxes		160,000.00			\$ 160,000.00	
Uniform Fire Safety Act -- Life Hazard Use Fees		198,480.18		198,480.18		
Fees and Permits:						
Cellular Telephone Lease Agreements		72,462.02		72,462.02		
State Burial Permits		640.00		640.00		
State Death Certificates		13,890.00		13,890.00		
Hotel Tax		8,874.21		8,874.21		
Construction Code Official:						
Licenses -- Other:						
Builder		12,989.00		12,989.00		
Fees and Permits:						
Building Permits		258,834.00		258,834.00		
Certificates of Compliance -- Elevator		25,751.00		25,751.00		
Certificates of Occupancy		14,288.00		14,288.00		
Electrical Permits		100,056.00		100,056.00		
Fire Sub-code Permits		18,154.00		18,154.00		
Housing Code Letters		26,675.00		26,675.00		
Plumbing Permits		56,793.00		56,793.00		
Rent Board Applications		41,825.00		41,825.00		
Street Opening Permits		11,066.00		11,066.00		
Trash Dumpster Permits		3,675.00		3,675.00		
Penalties and Fines		5,400.00		5,400.00		
Photocopies		4.46		4.46		
Clerk:						
Licenses -- Alcoholic Beverages		60,400.00		60,400.00		
Licenses -- Other:						
Board of Health		6,380.00		6,380.00		

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2011

	Balance <u>Dec. 31, 2010</u>	Accrued <u>in 2011</u>	Collected		<u>Interfunds</u>	Balance <u>Dec. 31, 2011</u>
			<u>Collector</u>	<u>Treasurer</u>		
Clerk (Cont'd):						
Licenses -- Other (Cont'd):						
Marriage		\$ 652.00		\$ 652.00		
Peddler / Solicitor		950.00		950.00		
Precious Metal		295.00		295.00		
Raffle		500.00		500.00		
Taxicab		10,995.00		10,995.00		
Used Car Lot		2,250.00		2,250.00		
Fees and Permits:						
Bid Specifications		2,670.00		2,670.00		
Coin Operated Device Permits		560.00		560.00		
Municipal Improvement Searches		20.00		20.00		
Outdoor Sign Rental		9,899.58		9,899.58		
Tax Searches		1,046.00		1,046.00		
Vital Statistics		12,095.00		12,095.00		
Zoning Books		60.00		60.00		
Photocopies		87.62		87.62		
Showmobile		1,935.00		1,935.00		
Fire Department:						
Fees and Permits:						
Fire Inspection Fees		142,408.75		142,408.75		
Police Department:						
Accident and Police Reports		14,899.95		14,899.95		
Emergency Medical Squad:						
Emergency Medical Technician Billing Fees		1,059,226.90		1,059,226.90		
Municipal Court:						
Fines and Costs	\$ 61,612.94	1,055,911.58		1,049,060.81		\$ 68,463.71
Recreation Department:						
Swimming Pool Admissions		46,885.00		46,885.00		
Fees and Permits:						
Recreation		13,635.10		13,635.10		
Planning and Zoning:						
Fees and Permits:						
Planning Board Fees		7,000.00		7,000.00		
Zoning Board Fees		17,640.00		17,640.00		

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2011

	Balance <u>Dec. 31, 2010</u>	Accrued <u>in 2011</u>	Collected		Interfunds	Balance <u>Dec. 31, 2011</u>
			<u>Collector</u>	<u>Treasurer</u>		
Interest on Investments and Deposits		\$ 100,531.18	\$ 7,726.06	\$ 90,927.62	\$ 1,877.50	
Tax Office:						
Advertising and Certification Costs		25,603.94	25,603.94			
Certificates of Redemption		2,295.00	2,295.00			
Duplicate Bills		116.00	116.00			
Interest on Municipal Assessments Receivable		3,547.62	3,547.62			
Interest on Payments in Lieu of Taxes		440.93	440.93			
Municipal Assessments Receivable		22,541.70	22,541.70			
	<u>\$ 153,644.97</u>	<u>\$ 11,423,402.56</u>	<u>\$ 62,271.25</u>	<u>\$ 11,190,260.66</u>	<u>\$ 161,877.50</u>	<u>\$ 162,638.12</u>
Due Trust - Other Fund:						
Collected by Trust Other Fund					\$ 1,877.50	
Due Golf Course Utility Operating Fund					<u>160,000.00</u>	
					<u>\$ 161,877.50</u>	

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Property Acquired for Taxes (at Assessed Valuation)
 For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 2,532,000.00
Increased by:		
Transferred from Tax Title Lien Receivable	\$ 8,717.16	
Transferred from Municipal Assessments Receivable	9,930.89	
Adjustment to Assessed Valuation	151.95	
		18,800.00
Balance December 31, 2011		\$ 2,550,800.00

CURRENT FUND
 Statement of Due from Township of Pennsauken Library
 For the Year Ended December 31, 2011

Increased by:		
Disbursements	\$ 1,946.23	
Decreased by:		
Receipts		1,405.78
Balance December 31, 2011		\$ 540.45

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to/ from Pennsauken Housing Authority
For the Year Ended December 31, 2011

Balance December 31, 2010 (Due to)	\$ 2.13
Increased by:	
Receipts	<u>6,979.25</u>
	6,981.38
Decreased by:	
Disbursements	<u>7,311.60</u>
Balance December 31, 2011 (Due from)	<u><u>\$ 330.22</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Prepaid Payments in Lieu of Taxes
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 8,005.07
Increased by:	
Receipts:	
Collector	<u>7,336.13</u>
	15,341.20
Decreased by:	
Anticipated as Revenue in Current Fund Budget:	
Payments in Lieu of Taxes	<u>8,005.07</u>
Balance December 31, 2011	<u><u>\$ 7,336.13</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
General Government:					
Mayor and Township Committee					
Salaries and Wages		\$ 302.28	\$ 302.28	\$ 300.00	\$ 2.28
Other Expenses	\$ 100.00	72.10	172.10	100.00	72.10
Administrative and Executive					
Salaries and Wages		1.08	1.08		1.08
Other Expenses	1,385.00	827.45	1,387.45	1,205.00	182.45
Municipal Clerk's Office					
Salaries and Wages		22.81	22.81		22.81
Other Expenses	338.39	1,339.64	3,403.03	3,383.18	19.85
Data Processing Center					
Other Expenses	26,322.98	15.93	26,113.91	26,110.00	3.91
Purchasing Department					
Salaries and Wages		305.44	5.44		5.44
Other Expenses	320.48	176.98	322.46	320.48	1.98
Financial Administration					
Salaries and Wages		85.10	85.10		85.10
Other Expenses	4,734.52	1,799.79	6,784.31	6,748.80	35.51
Assessment of Taxes					
Salaries and Wages		39.58	39.58		39.58
Other Expenses	170.90	2,010.88	181.78	170.90	10.88
Collection of Taxes					
Salaries and Wages		269.25	(9,230.75)	(9,253.00)	22.25
Other Expenses	1,879.60	798.04	177.64	132.28	45.36
Human Resources					
Salaries and Wages		331.10	6.10		6.10
Legal Services and Costs					
Salaries and Wages		249.77	24.77		24.77
Other Expenses	1,192.41	4,495.09	5,212.50	5,196.30	16.20
Engineering Services and Costs					
Salaries and Wages		567.85	17.85		17.85
Other Expenses		257.75	7.75		7.75
Public Buildings and Grounds					
Salaries and Wages		553.32	3.32		3.32
Other Expenses	1,873.42	4,111.83	1,885.25	1,873.42	11.83

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
General Government (Cont'd):					
Municipal Prosecutor					
Salaries and Wages		\$ 252.06	\$ 2.06		\$ 2.06
Municipal Court					
Salaries and Wages		556.36	6.36		6.36
Other Expenses	1,851.23	2,766.33	2,167.56	\$ 1,510.50	657.06
Rent Leveling Board					
Other Expenses		200.00			
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning Board					
Salaries and Wages		251.24	1.24		1.24
Other Expenses	450.00	1,395.14	495.14	450.00	45.14
Zoning Board					
Salaries and Wages		41.21	41.21		41.21
Other Expenses		452.49	77.49	75.00	2.49
Insurance:					
Employee Group Health	579.00	1,894.27	1,173.27	1,021.00	152.27
General Liability	4,994.94	307.08	(9,097.98)	(12,631.82)	3,533.84
Workers' Compensation		15,605.44	15,605.44		15,605.44
Unemployment Insurance		114.87	14.87		14.87
Economic Development					
Salaries and Wages		740.53	15.53		15.53
Other Expenses	100.00	1,023.07	123.07	100.00	23.07
Department of Public Safety:					
Fire Department					
Salaries and Wages		891.86	291.86	285.86	6.00
Other Expenses:					
Fire Department	16,760.84	10,864.99	16,275.83	15,550.91	724.92
Fire Hydrant Service	3,875.62	268.99	3,894.61	3,875.62	18.99
Uniform Fire Safety Act (P.L. 1983, Ch. 383)					
Salaries and Wages		432.14	7.14		7.14
Other Expenses	1,159.02	1,413.08	972.10	924.82	47.28
Police					
Salaries and Wages		9,876.34	54,126.34	47,931.46	6,194.88
Other Expenses	61,325.22	6,915.87	59,116.09	54,033.95	5,082.14

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
Department of Public Safety (Cont'd):					
Police Communications					
Salaries and Wages		\$ 320.29	\$ 20.29		\$ 20.29
Police Reserve					
Salaries and Wages		80.00	80.00		80.00
Traffic Control					
Salaries and Wages		85.00	85.00		85.00
Other Expenses	\$ 3,213.49	2,565.61	3,279.10	\$ 3,213.49	65.61
First Aid Organization					
Salaries and Wages		3.95	3.95		3.95
Other Expenses	5,612.07	15,567.16	10,929.23	10,879.32	49.91
Emergency Management Services					
Other Expenses	194.90	255.10	200.00	194.90	5.10
Streets and Roads:					
Public Works					
Salaries and Wages		96.43	(24,803.57)	(24,813.53)	9.96
Other Expenses	3,135.80	2,812.89	2,648.69	2,638.73	9.96
Township Garage					
Salaries and Wages		138.39	13.39		13.39
Other Expenses	5,792.74	1,022.36	6,040.10	5,952.97	87.13
Street Lighting	72,897.56	53,901.66	147,699.22	147,671.88	27.34
Health and Welfare:					
Senior Citizens of Pennsauken Township					
Salaries and Wages		96.52	96.52		96.52
Other Expenses	1,800.00	37.57	3,037.57	3,000.00	37.57
Utility Expenses:					
Motor Fuels		28.42	28.42		28.42
Electricity	21,102.47	9,037.98	26,990.45	26,943.01	47.44
Telephone	3,004.08	4,046.32	4,400.40	4,277.90	122.50
Natural Gas or Propane	2,905.48	116.52	13,372.00	13,370.34	1.66
Sewerage Authority	1,338.75	315.00	1,353.75	1,338.75	15.00

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
Recreation and Education:					
Recreation					
Salaries and Wages		\$ 75.82	\$ 75.82		\$ 75.82
Other Expenses	\$ 2,016.19	125.50	4,541.69	\$ 4,454.19	87.50
Swimming Pool					
Salaries and Wages		12.19	12.19		12.19
Other Expenses	140.81	145.44	1,611.25	1,565.81	45.44
Celebration of Public Events, Anniversary or Holiday					
Other Expenses		79.89	79.89		79.89
Shade Tree Commission					
Other Expenses		380.00	5.00		5.00
Historical Preservation					
Other Expenses	920.00	21.03	1,041.03	1,020.00	21.03
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Construction Code Official					
Salaries and Wages		29.30	29.30		29.30
Other Expenses	26,236.39	11,127.14	50,013.53	49,985.89	27.64
Unclassified:					
Salary Adjustment		6.93	6.93		6.93
Sick Pay		4.03	4.03		4.03
Total Operations within "CAPS"	<u>279,724.30</u>	<u>177,430.86</u>	<u>435,130.16</u>	<u>401,108.31</u>	<u>34,021.85</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL -- WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System-ERI Liability		49.85	49.85		49.85
Social Security System (O.A.S.I.)		238.67	13.67		13.67
Police and Fireman's Retirement System of N.J.		46.16	46.16		46.16

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Budget After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"	-	\$ 334.68	\$ 109.68	-	\$ 109.68
Total General Appropriations for Municipal Purposes -- Within "CAPS"	\$ 279,724.30	177,765.54	435,239.84	\$ 401,108.31	34,131.53
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"					
Capital Improvement Fund			22,250.00	22,250.00	
Total General Appropriations	<u>\$ 279,724.30</u>	<u>\$ 177,765.54</u>	<u>\$ 457,489.84</u>	<u>\$ 423,358.31</u>	<u>\$ 34,131.53</u>
Refunded -- Receipts				\$ (85,509.58)	
Due General Capital Fund				22,250.00	
Disbursed				<u>486,617.89</u>	
				<u>\$ 423,358.31</u>	

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to Pennsauken Garbage District
For the Year Ended December 31, 2011

Balance December 31, 2010	\$	2,203.94
Increased by:		
Receipts		<u>2,761,574.00</u>
		2,763,777.94
Decreased by:		
Disbursements		<u>2,758,797.87</u>
Balance December 31, 2011	\$	<u><u>4,980.07</u></u>

Exhibit SA-19

CURRENT FUND
Statement of Due to Camden County Municipal Utility Authority
For the Year Ended December 31, 2011

Balance December 31, 2010	\$	741.16
Decreased by:		
Cancelled		<u>\$ 741.16</u>

Exhibit SA-20

CURRENT FUND
Statement of Due to Pennsauken Sewerage Authority
For the Year Ended December 31, 2011

Balance December 31, 2010	\$	188.22
Decreased by:		
Cancelled		<u>\$ 188.22</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2011

Balance December 31, 2010 (2011 Taxes)	\$ 411,120.08
Increased by:	
Receipts:	
Collector	<u>603,853.44</u>
	1,014,973.52
Decreased by:	
Application to 2011 Taxes Receivable	<u>411,120.08</u>
Balance December 31, 2011 (2012 Taxes)	<u><u>\$ 603,853.44</u></u>

Exhibit SA-22

CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 30,047.32
Increased by:	
Receipts:	
Collector	<u>367,338.69</u>
	397,386.01
Decreased by:	
Applied to Taxes Receivable:	
2010 Taxes	\$ 20,834.84
2011 Taxes	<u>294,653.42</u>
	\$ 315,488.26
Refunds:	
Disbursements	<u>81,803.70</u>
	<u>397,291.96</u>
Balance December 31, 2011	<u><u>\$ 94.05</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to State of New Jersey --
Training Fees Surcharge
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 17,503.00
Increased by:	
Receipts	26,769.00
	44,272.00
Decreased by:	
Disbursements	33,257.00
	44,272.00
Balance December 31, 2011	\$ 11,015.00
 <u>Analysis of Balance December 31, 2011</u>	
<u>Month</u>	<u>Amount</u>
Fourth Quarter 2011	\$ 11,015.00

Exhibit SA-24

TOWNSHIP OF PENNSAUKEN
Statement of Due to State of New Jersey --
Marriage and Domestic Partnership Licenses
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 2,675.00
Increased by:	
Receipts	5,200.00
	7,875.00
Decreased by:	
Disbursements	7,125.00
	7,875.00
Balance December 31, 2011	\$ 750.00
 <u>Analysis of Balance December 31, 2011</u>	
Fourth Quarter 2011 -- Licenses	\$ 750.00

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2011

2011 Levy:		
County Tax		\$ 18,068,037.46
Decreased by:		
Disbursements		<u>\$ 18,068,037.46</u>

CURRENT FUND
 Statement of Due County for Added and Omitted Taxes
 For the Year Ended December 31, 2011

Balance December 31, 2010		
2009 Added Assessments	\$ 94.31	
2010 Added Assessments	<u>27,420.60</u>	
		\$ 27,514.91
Increased by:		
County Share of 2011 Taxes		<u>15,459.58</u>
		42,974.49
Decreased by:		
Canceled Disbursements	0.03 <u>27,514.88</u>	
		<u>27,514.91</u>
Balance December 31, 2011		
2010 Added Assessments	\$ 16.20	
2011 Added Assessments	14,027.95	
2010 Omitted/Added Assessments	<u>1,415.43</u>	
		<u>\$ 15,459.58</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Local School District Tax Payable
For the Year Ended December 31, 2011

Balance December 31, 2010	\$	6,176,718.00
2011 Levy -- Calendar Year		<u>37,049,782.50</u>
		43,226,500.50
Decreased by:		
Disbursements		<u>40,144,281.35</u>
Balance December 31, 2011	\$	<u><u>3,082,219.15</u></u>

Exhibit SA-28

CURRENT FUND
Statement of Special District Tax
For the Year Ended December 31, 2011

2011 Levy -- Garbage District Tax	\$	4,020,000.00
Decreased by:		
Disbursements		<u><u>\$ 4,020,000.00</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Tax Anticipation Notes
 For the Year Ended December 31, 2011

<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>
2011:174	Tax Anticipation Note	06/22/11	09/19/11	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, 2011

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Accrued</u>	<u>Received</u>	<u>Cancellations</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Federal Grants:					
Bulletproof Vest Partnership Program	\$ 807.67				\$ 807.67
Click It or Ticket		\$ 4,000.00	\$ 3,806.34	\$ 193.66	
ARRA - Community Oriented Policing ("COPS")					
Hiring Program Recovery Grant	735,273.74		205,511.39		529,762.35
FEMA Emergency Management Assistance Program		5,000.00	5,000.00		
Justice Assistance Grant (JAG)	44,459.37	17,198.00	3,837.00		57,820.37
Over the Limit Under Arrest Mobilization Grant	5,000.00	4,400.00	9,079.34	320.66	
Total Federal Grants	785,540.78	30,598.00	227,234.07	514.32	588,390.39
State Grants:					
Body Armor Replacement		8,083.47	8,083.47		
Governor's Council on Alcoholism and Drug Abuse	1,178.00	29,528.00	25,605.00	1.00	5,100.00
Hazardous Discharge Site Remediation Fund		43,736.00	43,736.00		
Municipal Court Alcohol, Education and Rehabilitation Grant		4,476.58	4,476.58		
New Jersey Department of Environmental Protection --					
Green Acres Grant		900,000.00			900,000.00
New Jersey Division of Motor Vehicles -					
Drunk Driving Enforcement Grant		31,313.86	31,313.86		
Total State Grants	1,178.00	1,017,137.91	113,214.91	1.00	905,100.00
Total Federal and State Grants	786,718.78	1,047,735.91	340,448.98	515.32	1,493,490.39
Local Grants:					
Camden County Recreation Facility Enhancement Grant		25,000.00	25,000.00		
Camden County DWI Checkpoint Grant		2,000.00	2,000.00		
Delaware River Port Authority Open Space Initiative Grant		700,000.00	700,000.00		
Total Other Grants	-	700,000.00	727,000.00	-	-
Total Federal, State and Local Grants	\$ 786,718.78	\$ 1,747,735.91	\$ 1,067,448.98	\$ 515.32	\$ 1,493,490.39
Receipts			\$ 1,067,448.98		
Fund Balance -- Current Fund				\$ 1.00	
Reserve for Federal and State Grants -- Appropriated				514.32	
			<u>\$ 1,067,448.98</u>	<u>\$ 515.32</u>	

TOWNSHIP OF PENNSAUKEN
FEDERAL AND STATE GRANT FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	41,005.30
Increased by:			
Refund Prior Year Revenue -- Current Fund Balance	\$		6,165.52
Federal and State Grant Fund Receivable Cancelled -- Current Fund Balance			1.00
Disbursements		<u>314,295.02</u>	
			<u>320,461.54</u>
			361,466.84
Decreased by:			
Refund Prior Year Expenditure -- Current Fund Balance			<u>673.08</u>
Balance December 31, 2011		\$	<u><u>360,793.76</u></u>

TOWNSHIP OF PENNSAUKEN
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Local Grants -- Unappropriated
For the Year Ended December 31, 2011

<u>Grant</u>	<u>Balance Dec. 31, 2010</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2011</u>	<u>Balance Dec. 31, 2011</u>
Federal Grants:				
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)		17,198.00	17,198.00	
Over the Limit Under Arrest Mobilization Grant		4,400.00	4,400.00	
Total Federal Grants	-	30,598.00	30,598.00	-
State Grants:				
Body Armor Replacement Fund Grant	\$ 7,753.92	8,083.47	7,753.92	\$ 8,083.47
Governor's Council on Alcoholism and Drug Abuse		29,528.00	29,528.00	
Hazardous Discharge Site Remediation Fund		43,736.00	43,736.00	
Municipal Court Alcohol, Education and Rehabilitation Grant		4,476.58	4,476.58	
New Jersey Department of Environmental Protection -- Green Acres Grant		900,000.00	900,000.00	
New Jersey Division of Motor Vehicles -- Drunk Driving Enforcement Grant		31,313.86	31,313.86	
Total State Grants	7,753.92	1,017,137.91	1,016,808.36	8,083.47
Total Federal and State Grants	7,753.92	1,047,735.91	1,047,406.36	8,083.47
Local Grants:				
Camden County Recreation Facility Enhancement Grant		25,000.00	25,000.00	
Camden County DWI Checkpoint Grant		2,000.00	2,000.00	
Delaware River Port Authority Open Space Initiative Grant		700,000.00	700,000.00	
Total Local Grants	-	700,000.00	700,000.00	-
Total Federal and State Grants	7,753.92	\$ 1,747,735.91	\$ 1,747,406.36	\$ 8,083.47

TOWNSHIP OF PENNSAUKEN
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2011

Grant	Balance Dec. 31, 2010		Transferred from Budget Appropriations	Paid or Charged	Encumbrances	Cancellations	Balance Dec. 31, 2011
	Encumbered	Reserved					
Federal Grants:							
Click It or Ticket			\$ 4,000.00	\$ 3,806.34		\$ 193.66	
Community Oriented Policing ("COPS")							
Hiring Program Recovery Grant (ARRA)		\$ 722,513.66		309,711.23			\$ 412,802.43
Energy Efficiency and Conservation Block Grant	\$ 25.00	36,482.40		36,482.40	\$ 25.00		
FEMA Emergency Management Assistance Program			5,000.00	5,000.00			
Justice Assistance Grant (JAG)	396.54	\$ 26,616.09	17,198.00	23,613.40	2,419.95		18,177.28
Over the Limit Under Arrest Mobilization Grant		898.46	4,400.00	4,977.80		320.66	
Total Federal Grants	421.54	786,510.61	30,598.00	383,591.17	2,444.95	514.32	430,979.71
State Grants:							
Body Armor Replacement Fund Grant			7,753.92		7,753.92		
Governor's Council on Alcoholism and Drug Abuse			29,528.00	29,528.00			
Hazardous Discharge Site Remediation Fund			43,736.00	21,629.03			22,106.97
Municipal Court Alcohol, Education and Rehabilitation Grant		4,872.05	4,476.58	3,175.95	1,150.00		5,022.68
New Jersey Department of Environmental Protection -- Green Acres Grant			900,000.00				900,000.00
New Jersey Division of Motor Vehicles -- Drunk Driving Enforcement Grant		21,215.73	31,313.86	42,920.13			9,609.46
Total State Grants	-	26,087.78	1,016,808.36	97,253.11	8,903.92	-	936,739.11
Total Federal and State Grants	421.54	812,598.39	1,047,406.36	480,844.28	11,348.87	514.32	1,367,718.82
Local Grants							
Camden County Recreation Facility Enhancement Grant	6,950.23		25,000.00	31,950.23			
Camden County DWI Checkpoint Grant			2,000.00	2,000.00			
Delaware River Port Authority Open Space Initiative Grant			700,000.00	232,867.01	5,042.95		462,090.04
Total Local Grants	6,950.23	-	727,000.00	266,817.24	5,042.95	-	462,090.04
Total Federal, State and Local Grants	7,371.77	\$ 812,598.39	\$ 1,774,406.36	\$ 747,661.52	\$ 16,391.82	\$ 514.32	\$ 1,829,808.86
Federal, State and Local Grants Receivable						\$ 514.32	
Refunds:							
Current Fund Balance				\$ (6,165.52)			
Current Fund Balance				673.08			
Disbursements				753,153.96			
				<u>\$ 747,661.52</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, 2011

	<u>Animal Control Fund</u>	<u>Other</u>
Balance December 31, 2010	\$ 3,770.19	\$ 522,683.62
Increased by Receipts:		
Miscellaneous Accounts Receivable	\$ 8,487.41	
Due Current Fund	356,250.00	\$ 3,680,470.59
Due General Capital Fund	18,000.00	
Due State of New Jersey	1,797.00	
Reserve for Animal Control Expenditures	117,721.92	
Community Development Block Grant Receivable		71,233.03
Due Bank		1,741.19
Reserve for Payroll Deductions Payable		19,889,740.90
Reserve for Economic Development -- Urban Development Action Grant		1,925.67
Reserve for Community Development Block Grant Program		3,150.00
Miscellaneous Reserves:		
Reserve for Street Opening Deposits		2,000.00
Reserve for Escrow Deposits		1,500.00
Reserve for Unemployment Compensation Insurance		3,946.22
Reserve for Special Law Enforcement Officers:		
State Allocation		7,152.56
Federal Allocation		8.99
Reserve for Housing Trust		1,091.50
Reserve for Worker's Compensation Insurance		<u>395,815.94</u>
	<u>502,256.33</u>	<u>24,059,776.59</u>
	506,026.52	24,582,460.21
Decreased by Disbursements:		
Due Current Fund	191,115.78	3,470,538.52
State Registration Fees	1,797.00	
Reserve for Animal Control Expenditures	312,454.08	
Due Bank		1,740.98
Reserve for Payroll Deductions Payable		19,922,606.52
Reserve for Economic Development -- Urban Development Action Grant		20.00
Reserve for Community Development Block Grant Program		48,835.52
Miscellaneous Reserves:		
Reserve for Street Opening Deposits		1,900.00
Reserve for Escrow Deposits		6,078.50
Reserve for Unemployment Compensation Insurance		67,524.46
Reserve for Planning and Zoning Deposits		155,626.45
Reserve for Special Law Enforcement Officers:		
State Allocation		29,943.66
Federal Allocation		26,582.00
Reserve for Worker's Compensation Insurance		<u>395,815.94</u>
	<u>505,366.86</u>	<u>24,127,212.55</u>
Balance December 31, 2011	<u>\$ 659.66</u>	<u>\$ 455,247.66</u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
Statement of Miscellaneous Accounts Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 8,487.41
Increased by:	
Reserve for Animal Control Expenditures	<u>4,177.27</u>
	12,664.68
Decreased by:	
Receipts	<u>8,487.41</u>
Balance December 31, 2011	<u><u>\$ 4,177.27</u></u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2011

Receipts:		
Interfund Loans Received		\$ 356,250.00
Decreased by:		
Refunds Collected by the Current Fund	\$ 8,884.22	
Disbursements:		
Interfund Loans Returned	191,115.78	
2011 Budget Appropriation :		
Dog Warden - Other Expenses	<u>156,250.00</u>	
		<u><u>\$ 356,250.00</u></u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
 Statement of Prepaid Animal Control Licenses
 For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 447.00
Decreased by:	
Reserve for Animal Control Expenditures	<u>\$ 447.00</u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
 Statement of Due to State of New Jersey -- State Registration Fees
 For the Year Ended December 31, 2011

Increased by:	
Receipts:	
Registrar:	
2011 Licenses	\$ 1,797.00
Decreased by:	
Disbursements	<u>\$ 1,797.00</u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Expenditures
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 1,810.60
Increased by:		
Deferred Charge:		
Deficit in Reserve for Animal Control Expenditures	\$ 23,163.07	
Miscellaneous Accounts Receivable	4,177.27	
Realized 2011 Licenses	447.00	
Receipts:		
Registrar	\$ 11,317.00	
Donation	1,000.00	
Refund of Expenditures	105,404.92	
		117,721.92
Due Current Fund:		
Refunds Collected by Current Fund	8,884.22	
2011 Budget Appropriation:		
Dog Warden - Other Expenses	156,250.00	
		165,134.22
		310,643.48
		312,454.08
Decreased by:		
Expenditures under R.S. 4:19-15.11:		
Disbursements		\$ 312,454.08
<u>Animal License Fees Collected:</u>		
<u>Year</u>		
2009		\$ 15,226.90
2010		11,928.60
		\$ 27,155.50

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Community Development Block Grant Program Receivable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 158,486.41
Increased by:		
Accrued in 2011		120,200.00
		278,686.41
Decreased by:		
Receipts		71,233.03
Balance December 31, 2011		\$ 207,453.38
 <u>Analysis of Balance December 31, 2011</u>		
Year XXXI		\$ 7,294.56
Year XXXII		83,562.93
Year XXXIII		116,595.89
		\$ 207,453.38

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TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2011

	<u>Total</u>	<u>Street Opening and Other Escrow Deposits</u>	<u>Community Development Block Grant</u>	<u>Payroll</u>
Balance December 31, 2010	\$ 30,189.76	\$ (2,402.87)	\$ (31,323.45)	\$ (7,479.05)
Increased by:				
Disbursements:				
Interfund Loans Returned	118,795.23		40,000.00	73,795.23
Made on behalf of Current Fund:				
2011 Budget Appropriations	3,350,629.84			3,350,629.84
Refund of Prior Year Revenue	1,113.45			1,113.45
2011 Budget Appropriations	73,063.77			10,000.00
Collections made by Current Fund	219,869.91			1,060.03
	<u>3,763,472.20</u>	<u>-</u>	<u>40,000.00</u>	<u>3,436,598.55</u>
	<u>3,793,661.96</u>	<u>(2,402.87)</u>	<u>8,676.55</u>	<u>3,429,119.50</u>
Decreased by:				
Receipts:				
Interest on Investments and Deposits	1,877.50	42.30	85.75	1,614.37
Interfund Loans Received	3,671,917.36		10,000.00	3,433,853.59
Collections made on behalf of Current Fund:				
Miscellaneous Revenue not Anticipated:				
Miscellaneous Refunds	6,675.73	600.00		2,181.10
Miscellaneous Revenue not Anticipated:				
Refund of Prior Year Expenditures - Fund Balance	2,548.24		2,548.24	
Payments made by Current Fund	43,960.18		2,500.00	
	<u>3,726,979.01</u>	<u>642.30</u>	<u>15,133.99</u>	<u>3,437,649.06</u>
Balance December 31, 2011	<u>\$ 66,682.95</u>	<u>\$ (3,045.17)</u>	<u>\$ (6,457.44)</u>	<u>\$ (8,529.56)</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>
\$ 98,502.28	-	\$ (11,064.43)	\$ (19,241.34)	\$ 68.41	\$ 3,130.21
	\$ 5,000.00				
175,445.38	63,063.77			42,738.50	626.00
175,445.38	68,063.77	-	-	42,738.50	626.00
273,947.66	68,063.77	(11,064.43)	(19,241.34)	42,806.91	3,756.21
78.45		56.63			
160,000.00	68,063.77				
3,894.63					
				41,460.18	
163,973.08	68,063.77	56.63	-	41,460.18	-
<u>\$ 109,974.58</u>	<u>-</u>	<u>\$ (11,121.06)</u>	<u>\$ (19,241.34)</u>	<u>\$ 1,346.73</u>	<u>\$ 3,756.21</u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Due to Bank
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 86.01
Increased by:	
Receipts	<u>1,741.19</u>
	1,827.20
Decreased by:	
Disbursements	<u>1,740.98</u>
Balance December 31, 2011	<u><u>\$ 86.22</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 152,836.28
Increased by:		
Due Current Fund:		
2011 Budget Appropriation	\$ 10,000.00	
Refund Collected by Current Fund	1,060.03	
Receipts	19,889,740.90	
		19,900,800.93
		20,053,637.21
Decreased by:		
Disbursements		19,922,606.52
Balance December 31, 2011		\$ 131,030.69

Analysis of Balance (Deficit), December 31, 2011

Social Security - Employer		\$ (154.25)
State of New Jersey Unemployment Insurance - Employee (overpayment)		(58,761.71)
State of New Jersey Pension System:		
Police and Firemen's Retirement System		126,532.96
Public Employees' Retirement System		49,473.14
Public Employees' Retirement System -- Contributory Insurance		2,864.29
Public Employees' Retirement System -- Supplemental		86.68
Wage Attachments		320.00
Savings Bonds		100.00
Union Dues -- F.O.P.		(53.36)
Union Dues -- AFSME		2,644.20
Union Dues -- Firemen's		1,791.85
United Way		185.00
Boston Mutual and ASI - (ELO I & II)		416.20
AFLAC I & II		5,260.07
Pennsauken Neighbors Helping Neighbors		167.50
Miscellaneous		158.12
		\$ 131,030.69

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Economic Development --
Urban Development Action Grant
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 3,432.61
Receipts:		
Interest on Investments and Deposits	\$ 106.22	
Loan Repayment -- 6300 Westfield Avenue	<u>1,819.45</u>	
		<u>1,925.67</u>
		5,358.28
Decreased by:		
Disbursements		<u>20.00</u>
Balance December 31, 2011		<u><u>\$ 5,338.28</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Community Development Block Grant Program
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 136,938.98
Increased by:		
Receipts	\$ 3,150.00	
Accrued in 2011	<u>120,200.00</u>	
		<u>123,350.00</u>
		260,288.98
Decreased by:		
Due Current Fund		
Refund Prior Year Expenditures -- Fund Balance	\$ 2,548.24	
Payments made by Current Fund	<u>2,500.00</u>	
	5,048.24	
Disbursements	<u>48,835.52</u>	
		<u>53,883.76</u>
Balance December 31, 2011		<u><u>\$ 206,405.22</u></u>
<u>Analysis of Balance December 31, 2011</u>		
Year XXXI		\$ 6,894.56
Year XXXII		83,562.93
Year XXXIII		<u>115,947.73</u>
		<u><u>\$ 206,405.22</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2011

	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec. 31, 2011</u>
	<u>Balance Dec. 31, 2010</u>	<u>Receipts</u>	<u>Due Current Fund</u>	<u>Disbursements</u>	
Reserve for Street Opening Deposits	\$ 1,600.00	\$ 2,000.00		\$ 1,900.00	\$ 1,700.00
Reserve for Escrow Deposits	82,254.72	1,500.00		6,078.50	77,676.22
Reserve for Unemployment Compensation Insurance	1,502.03	3,946.22	\$ 63,063.77	67,524.46	987.56
Reserve for Parking Offense Adjudication Act	3,130.21		626.00		3,756.21
Reserve for Public Defender	68.41		42,738.50		1,346.73
Reserve for Planning and Zoning Deposits	104,650.47		175,445.38	155,626.45	124,469.40
Reserve for Special Law Enforcement Officers:					
State Allocation	46,754.96	7,152.56		29,943.66	23,963.86
Federal Allocation	35,485.28	8.99		26,582.00	8,912.27
Reserve for Housing Trust	136,176.18	1,091.50			137,267.68
Reserve for Worker's Compensation Insurance		395,815.94		395,815.94	
	<u>\$ 411,622.26</u>	<u>\$ 411,515.21</u>	<u>\$ 281,873.65</u>	<u>\$ 683,471.01</u>	<u>\$ 41,460.18</u>
				<u>\$ 41,460.18</u>	<u>\$ 380,079.93</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, 2011

Balance December 31, 2010		\$	44,018.71
Increased by Receipts:			
Due Current Fund	\$ 8,297,250.00		
Due from State of New Jersey --			
Transportation Trust Fund Grant Receivable	218,630.36		
Reserve for the Payment of Bonds	42.00		
Improvement Authorizations	<u>295.55</u>		
			<u>8,516,217.91</u>
			8,560,236.62
Decreased by Disbursements:			
Due Current Fund	5,500,000.00		
Improvement Authorizations	2,679,452.60		
Due Animal Control Fund	18,000.00		
Contracts Payable	<u>84,343.43</u>		
			<u>8,281,796.03</u>
Balance December 31, 2011		\$	<u><u>278,440.59</u></u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2011

		<u>Receipts</u>		
		Balance (Overdraft) <u>Dec. 31, 2010</u>	<u>Improvement Authorizations</u>	<u>Miscellaneous</u>
Due from State of New Jersey:				
	Transportation Trust Fund Grant Receivable	\$ (71,455.78)		\$ 218,630.36
	Due Current Fund	(1,156,935.75)		8,297,250.00
	Due Animal Control Fund	(10,000.00)		
	Contracts Payable	104,331.45		
	Capital Improvement Fund	471.90		
	Reserve for Payment of Bonds			42.00
	Fund Balance	37,363.75		
Improvement Authorizations:				
Ordinance				
<u>Number</u>				
07-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	13,658.18		
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	20,808.46		
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	297,685.92		
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	613,004.07	\$ 220.55	
10-11	Improvements to Police Administration Building	195,086.51		
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment		75.00	
11-15	Acquisition of and Improvements to Various Abandoned Homes			
		<u>\$ 44,018.71</u>	<u>\$ 295.55</u>	<u>\$ 8,515,922.36</u>

<u>Disbursements</u>		<u>Transfers</u>		<u>Balance</u> <u>(Overdraft)</u> <u>Dec. 31, 2011</u>
<u>Improvement</u> <u>Authorizations</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	
		\$ 200,000.00		\$ (52,825.42)
	\$ 5,500,000.00	12,996,327.10	\$ 18,859,853.65	7,503,840.80
	18,000.00			(28,000.00)
	84,343.43	19,988.02	220,832.08	220,832.08
		122,500.00	134,750.00	12,721.90
				42.00
		37,363.75	77.10	77.10
\$ 5,000.00				8,658.18
808.46			1,577.05	21,577.05
308,814.57			11,500.00	371.35
496,139.35		7,714.90	18,410.97	127,781.34
129,024.32				66,062.19
1,630,498.73		213,357.08	2,447,500.00	603,719.19
109,167.17			200,000.00	90,832.83
<u>\$ 2,679,452.60</u>	<u>\$ 5,602,343.43</u>	<u>\$ 13,597,250.85</u>	<u>\$ 21,894,500.85</u>	<u>\$ 8,575,690.59</u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 14,272,000.00
Increased by:	
General Serial Bonds Issued	<u>12,850,000.00</u>
	27,122,000.00
Decreased by:	
2011 Budget Appropriation to Pay Bonds	<u>1,797,000.00</u>
Balance December 31, 2011	<u><u>\$ 25,325,000.00</u></u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Transferred to Deferred Charges to Future Taxation - Funded	Balance Dec. 31, 2011	Analysis of Balance December 31, 2011		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
General Improvements:								
07-12; 07-40	Completion of Streetscape Improvements to Westfield Avenue	\$ 1,250,750.00		\$ 1,250,750.00				
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	1,937,500.00		1,937,500.00				
08-30	Construction of a Recreation Complex	3,325,000.00		3,325,000.00				
08-41	Reconditioning and Overhaul of Ambulances	166,250.00		166,250.00				
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	1,947,500.00		1,945,500.00	\$ 2,000.00			\$ 2,000.00
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	1,710,000.00		1,710,000.00				
10-11	Improvements to Police Administration Building	190,000.00		190,000.00				
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,137,500.00	2,135,000.00	2,500.00			2,500.00
11-15	Acquisition of and Improvements to Various Abandoned Homes		190,000.00	190,000.00				
		<u>\$ 10,527,000.00</u>	<u>\$ 2,327,500.00</u>	<u>\$ 12,850,000.00</u>	<u>\$ 4,500.00</u>	<u>-</u>	<u>-</u>	<u>\$ 4,500.00</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, 2011

Balance December 31, 2010	\$ 71,455.78
Increased by:	
Accrued in 2011	
2011 Improvement Authorizations -- Funded	<u>200,000.00</u>
	271,455.78
Decreased by:	
Receipts	<u>218,630.36</u>
Balance December 31, 2011	<u><u>\$ 52,825.42</u></u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 1,156,935.75
Increased by:		
Disbursements:		
Interfund Loans Returned	\$ 5,500,000.00	
2011 Budget Appropriation - Capital Improvement Fund	112,500.00	
2010 Appropriation Reserves -- Due Current Fund	22,250.00	
Collections made by Current Fund:		
Improvement Authorization Refunds	\$ 11,500.00	
Bonds Issued	12,850,000.00	
Premium on Bonds - Fund Balance	<u>77.10</u>	
	<u>12,861,577.10</u>	
		<u>18,496,327.10</u>
		19,653,262.85
Decreased by:		
Receipts:		
Interfund Loans Received	8,297,250.00	
Disbursements made by Current Fund:		
Improvement Authorizations	\$ 239.90	
Bond Anticipation Notes	<u>10,525,000.00</u>	
	<u>10,525,239.90</u>	
		18,822,489.90
Anticipated as Revenue in Current Fund -- Fund Balance		<u>37,363.75</u>
		<u>18,859,853.65</u>
Balance December 31, 2011		<u><u>\$ 793,409.20</u></u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Animal Control Fund
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 10,000.00
Increased by:	
Disbursements	<u>18,000.00</u>
Balance December 31, 2011	<u><u>\$ 28,000.00</u></u>

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TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2011

<u>Ordinance Number</u>	<u>Improvement Descriptions</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2010</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	\$ 13,658.18	
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	03/26/08	2,907,000.00	1,000.00	\$ 19,808.46
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/25/09	2,241,760.00		299,685.92
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	4/21/10	2,012,700.00	4,500.00	608,504.07
10-11	Improvements to Police Administration Building	4/26/10	200,000.00	5,086.51	190,000.00
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/25/11	2,450,000.00		
11-15	Acquisition of and Improvements to Various Abandoned Homes	6/29/11	200,000.00		
				<u>\$ 24,244.69</u>	<u>\$ 1,117,998.45</u>

Receipts
 Due Current Fund
 Disbursements
 Contracts Payable
 New Jersey Transportation Trust Fund Grant Receivable

2011 Authorizations							
Capital Improvement Fund	Grants	Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Cancellation of Contracts Payable	Refunds	Balance December 31, 2011	
						Funded	Unfunded
			\$ 5,000.00			\$ 8,658.18	
			808.46	\$ 1,577.05		21,577.05	
			308,814.57		\$ 11,500.00	371.35	\$ 2,000.00
			503,854.25	18,410.97	220.55	127,781.34	
			129,024.32			66,062.19	
\$ 112,500.00	\$ 200,000.00	\$ 2,137,500.00	1,843,855.81		75.00	603,719.19	2,500.00
10,000.00		190,000.00	109,167.17			90,832.83	
<u>\$ 122,500.00</u>	<u>\$ 200,000.00</u>	<u>\$ 2,327,500.00</u>	<u>\$ 2,900,524.58</u>	<u>\$ 19,988.02</u>	<u>\$ 11,795.55</u>	<u>\$ 919,002.13</u>	<u>\$ 4,500.00</u>
			\$ 239.90		\$ 295.55		
			2,679,452.60		11,500.00		
			220,832.08				
	<u>\$ 200,000.00</u>						
	<u>\$ 200,000.00</u>		<u>\$ 2,900,524.58</u>		<u>\$ 11,795.55</u>		

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 104,331.45
Increased by:		
Accrued in 2011		<u>220,832.08</u>
		325,163.53
Decreased by:		
Disbursements	\$ 84,343.43	
Cancellations:		
Improvement Authorizations	<u>19,988.02</u>	
		<u>104,331.45</u>
Balance December 31, 2011		<u><u>\$ 220,832.08</u></u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 471.90
Increased by:		
2011 Budget Appropriation -- Due Current Fund	\$ 112,500.00	
2010 Appropriation Reserves -- Due Current Fund	<u>22,250.00</u>	
		<u>134,750.00</u>
		135,221.90
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>122,500.00</u>
Balance December 31, 2011		<u><u>\$ 12,721.90</u></u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Bonds Anticipation Notes
For the Year Ended December 31, 2011

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2010</u>	<u>Paid by Current Fund</u>
General Improvements:							
07-12; 07-40	Completion of Streetscape Improvements to Westfield Avenue	09/09/08	09/02/10	09/01/11	1.50%	\$ 1,250,750.00	\$ 1,250,750.00
08-10	Completion of Various Capital Improvements and Acquisition of Capital Equipment	09/09/08	09/02/10	09/01/11	1.50%	1,937,500.00	1,937,500.00
08-30	Construction of a Recreation Complex	09/08/09	09/02/10	09/01/11	1.50%	3,325,000.00	3,325,000.00
08-41	Reconditioning and Overhaul of Ambulances	09/08/09	09/02/10	09/01/11	1.50%	166,250.00	166,250.00
09-05	Completion of Various Capital Improvements and	09/08/09	09/02/10	09/01/11	1.50%	1,945,500.00	1,945,500.00
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	09/02/10	09/02/10	09/01/11	1.50%	1,710,000.00	1,710,000.00
10-11	Improvements to Police Administration Building	09/02/10	09/02/10	09/01/11	1.50%	190,000.00	190,000.00
						\$ 9,274,250.00	\$ 10,525,000.00

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2011

Purpose	Date of Issue	Original Issue	Date of Maturity of Bonds		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Paid by Budget Appropriation	Balance Dec. 31, 2011	
			Outstanding Date	Dec. 31, 2011 Amount						
General Obligation Bonds	06/01/01	\$ 4,792,000.00			4.10%	\$ 692,000.00		\$ 692,000.00		
General Obligation Bonds	07/01/04	8,000,000.00	07/01/12	\$ 650,000.00						
			7/01/13-14	750,000.00						
			07/01/15	900,000.00						
			07/01/16	1,000,000.00	Varies	4,700,000.00		650,000.00	\$ 4,050,000.00	
General Obligation Bonds	09/01/08	9,940,000.00	09/01/12	600,000.00						
			09/01/13	555,000.00						
			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	Varies	8,880,000.00		455,000.00	8,425,000.00	
General Obligation Bonds	08/31/11	12,850,000.00	08/15/12	570,000.00						
			08/15/13	580,000.00						
			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	Varies		\$ 12,850,000.00		12,850,000.00	
							<u>\$ 14,272,000.00</u>	<u>\$ 12,850,000.00</u>	<u>\$ 1,797,000.00</u>	<u>\$ 25,325,000.00</u>
Due Current Fund							<u>\$ 12,850,000.00</u>			

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Notes Paid from Bond Funds	Bonds Issued	Balance Dec. 31, 2011
General Improvements:						
07-12; 07-40	Completion of Streetscape Improvements to Westfield Avenue			\$ 1,250,750.00	\$ 1,250,750.00	
08-10	Completion of Various Capital Improvements and Acquisition of Equipment			1,937,500.00	1,937,500.00	
08-30	Construction of a Recreation Complex			3,325,000.00	3,325,000.00	
08-41	Reconditioning and Overhaul of Ambulances			166,250.00	166,250.00	
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,000.00		1,945,500.00	1,945,500.00	\$ 2,000.00
10-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment			1,710,000.00	1,710,000.00	
10-11	Improvements to Police Administration Building			190,000.00	190,000.00	
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,137,500.00		2,135,000.00	2,500.00
11-15	Acquisition of and Improvements to Various Abandoned Homes		190,000.00		190,000.00	
		<u>\$ 2,000.00</u>	<u>\$ 2,327,500.00</u>	<u>\$ 10,525,000.00</u>	<u>\$ 12,850,000.00</u>	<u>\$ 4,500.00</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, 2011

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	\$ 75,126.65	\$ 2,153.84
Increased by Receipts:		
Playing Fees	\$ 870,914.00	
Equipment Rental Fees	396,979.00	
Miscellaneous	203,023.71	
Protested Checks	120.00	
2011 Appropriation Refunds	57,719.49	
Petty Cash	150.00	
Due Bank	15.00	
Due Vendor	14,100.00	
Due Current Fund	140,000.00	
Due Golf Course Utility Operating Fund		\$ 10,007.71
Due Golf Course Utility Capital Fund	5,000.00	
2010 Appropriation Reserves Refunds	<u>17,782.16</u>	
	<u>1,705,803.36</u>	<u>10,007.71</u>
	1,780,930.01	12,161.55
Decreased by Disbursements:		
2011 Appropriation	1,328,415.86	
Protested Checks	120.00	
Petty Cash	150.00	
Due Bank	15.00	
2010 Appropriation Reserves	22,129.35	
Due Current Fund	363,565.96	
Due Golf Course Utility Operating Fund		5,000.00
Due Golf Course Utility Capital Fund	10,000.00	
Improvement Authorizations		5,176.09
Contracts Payable		<u>1,189.30</u>
	<u>1,724,396.17</u>	<u>11,365.39</u>
Balance December 31, 2011	<u>\$ 56,533.84</u>	<u>\$ 796.16</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Analysis of Golf Course Utility Capital Cash
 For the Year Ended December 31, 2011

	<u>Balance</u> (Overdraft) <u>December 31, 2010</u>	<u>Receipts</u> <u>Miscellaneous</u>	<u>Disbursements</u> Improvement <u>Authorizations</u>	<u>Miscellaneous</u>	<u>Transfers</u> <u>From</u>	<u>To</u>	<u>Balance</u> (Overdraft) <u>December 31, 2011</u>
Due Golf Course Utility Operating Fund	\$ (30,176.14)	\$ 10,007.71		\$ 5,000.00		\$ 2,367.59	\$ (22,800.84)
Capital Improvement Fund	3,029.00						3,029.00
Contracts Payable	1,500.00			1,189.30	\$ 310.70		
Reserve for Preliminary Expenses	38.58						38.58
Fund Balance	2,367.59				2,367.59		
 Improvement Authorizations:							
Ordinance							
<u>Number</u>							
 General Improvements:							
08-10 Completion of Various Capital Improvements and Acquisition of Equipment	25,207.96		\$ 5,176.09			310.70	20,342.57
08-19 Acquisition of Real Property	186.85						186.85
	<u>\$ 2,153.84</u>	<u>\$ 10,007.71</u>	<u>\$ 5,176.09</u>	<u>\$ 6,189.30</u>	<u>\$ 2,678.29</u>	<u># \$ 2,678.29</u>	<u>\$ 796.16</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2011

Balance December 31, 2011	\$ 800.00
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Exhibit SD-4

GOLF COURSE UTILITY OPERATING FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2011

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

Exhibit SD-5

GOLF COURSE UTILITY OPERATING FUND
 Statement of Due from Vendor
 For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 14,100.00
Decreased by:	
Receipts	\$ 14,100.00

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Statement of Due from Current Fund
 For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 1,562.40
Increased by:		
Disbursements:		
Payments made on behalf of the Current Fund--		
2011 Budget Appropriations	\$ 565.96	
Interfund Loans Returned	<u>363,000.00</u>	
		<u>363,565.96</u>
		365,128.36
Decreased by:		
Receipts -- Interfund Loans Received	140,000.00	
Anticipated as Revenue in Current Fund Budget:		
Golf Course Utility -- Payment in Lieu of Taxes	160,000.00	
Payments made by Current Fund:		
2011 Budget Appropriations		
Bond Principal	\$ 35,000.00	
Accrued Interest on Bonds and Notes	28,550.00	
Other Expense	<u>340.94</u>	
		<u>63,890.94</u>
		<u>363,890.94</u>
Balance December 31, 2011		<u><u>\$ 1,237.42</u></u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Fixed Capital
 For the Year Ended December 31, 2011

<u>Account</u>	<u>Balance</u> <u>December 31, 2010</u>	<u>Ordinance</u>	<u>Balance</u> <u>December 31, 2011</u>
Construction of Clubhouse at the Golf Course	\$ 1,962,791.26		\$ 1,962,791.26
Improvements to Golf Course	2,180,843.86	\$ 200,000.00	2,380,843.86
Construction of a Clubhouse and the Restaurant Facility	150,000.00		150,000.00
Issuance Costs for Refunding Bonds	29,501.41		29,501.41
Construction of a Parking Lot	94,800.00		94,800.00
Construction of a Pool House and Maintenance Facility	180,000.00		180,000.00
Purchase of Golf Equipment	270,000.00		270,000.00
Construction of a Tunnel Under Haddonfield Road	850,000.00		850,000.00
	<u>\$ 5,717,936.53</u>	<u>\$ 200,000.00</u>	<u>\$ 5,917,936.53</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2011

<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, 2010</u>	<u>Costs to</u> <u>Fixed</u> <u>Capital</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
General Improvements:						
04-23	Completion of Various Capital Improvements and Acquisition of Equipment	9/24/2004	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	
08-10	Completion of Various Capital Improvements and Acquisition of Equipment	4/26/2008	250,000.00	250,000.00		\$ 250,000.00
08-19	Acquisition of Real Property	6/18/2008	210,000.00	210,000.00		210,000.00
				<u>\$ 660,000.00</u>	<u>\$ 200,000.00</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, 2011

Balance December 31, 2010		\$ 30,176.14
Increased by:		
Disbursements -- Interfund Loans Returned		<u>5,000.00</u>
		35,176.14
Decreased by:		
Fund Balance Anticipated as Operating Revenue	\$ 2,367.59	
Receipts:		
Interfund Loans Received	\$ 10,000.00	
Interest on Investments and Deposits	<u>7.71</u>	
	<u>10,007.71</u>	
		<u>12,375.30</u>
Balance December 31, 2011		<u><u>\$ 22,800.84</u></u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of 2010 Appropriation Reserves
For the Year Ended December 31, 2011

	Balance December 31, 2010		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Operating:					
Salaries and Wages		\$ 87.61	\$ 87.61		\$ 87.61
Other Expenses	\$ 5,053.72	7,270.57	12,324.29	\$ 4,347.19	7,977.10
Total Operating	5,053.72	7,358.18	12,411.90	4,347.19	8,064.71
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		1,274.43	1,274.43		1,274.43
Total Utility Appropriations	\$ 5,053.72	\$ 8,632.61	\$ 13,686.33	\$ 4,347.19	\$ 9,339.14
Receipts:					
Refunds				\$ (17,782.16)	
Disbursements				22,129.35	
				<u>\$ 4,347.19</u>	

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Notes
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 8,481.51
Increased by:		
2011 Budget Appropriation:		
Interest on Bonds		<u>28,717.12</u>
		37,198.63
Decreased by:		
Paid by Current Fund		<u>28,550.00</u>
Balance December 31, 2011		<u><u>\$ 8,648.63</u></u>

Principal Outstanding <u>December 31, 2011</u>	Interest <u>Rate</u>	<u>From</u>	<u>To</u>	Period <u>(Days)</u>	<u>Amount</u>
General Improvement Bonds:					
2008 Issue:					
\$ 690,000.00	Varies	09/01/11	12/31/11	122	<u><u>\$ 8,648.63</u></u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2011

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2010 Funded</u>	<u>Contracts Payable Canceled</u>	<u>Disbursed</u>	<u>Balance Dec. 31, 2011 Funded</u>
General Improvements:							
08-10	Completion of Various Capital Improvements and Acquisition of Equipment	4/26/08	\$ 250,000.00	\$ 25,207.96	\$ 310.70	\$ 5,176.09	\$ 20,342.57
08-19	Acquisition of Real Property	6/18/08	210,000.00	186.85			186.85
				<u>\$ 25,394.81</u>	<u>\$ 310.70</u>	<u>\$ 5,176.09</u>	<u>\$ 20,529.42</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 1,500.00
Decreased by:		
Disbursements	\$ 1,189.30	
Cancellations:		
Improvement Authorizations	<u>310.70</u>	
		<u>\$ 1,500.00</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2011

Balance December 31, 2010	\$ 5,652,936.53
Increased by:	
Payment of General Serial Bonds	<u>35,000.00</u>
Balance December 31, 2011	<u><u>\$ 5,687,936.53</u></u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Golf Course Utility Capital Serial Bonds
 For the Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds	09/01/08	\$ 810,000.00	09/01/12	\$ 50,000.00				
			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	\$ 725,000.00	\$ 35,000.00	\$ 690,000.00
						\$ 725,000.00	\$ 35,000.00	\$ 690,000.00
						\$ 725,000.00	\$ 35,000.00	\$ 690,000.00
Due Current Fund							<u>\$ 35,000.00</u>	

TOWNSHIP OF PENNSAUKEN
PART 2
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2011

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

INDEPENDENT AUDITOR'S REPORT

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

Compliance

We have audited the compliance of the Township of Pennsauken, in the County of Camden, State of New Jersey, with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on the Township's major federal program for the year ended December 31, 2011. The Township's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Township's management. Our responsibility is to express an opinion on the Township's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133, 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 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. Our audit does not provide a legal determination of the Township's compliance with those requirements.

In our opinion, Township of Pennsauken complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

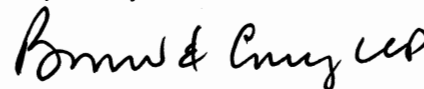
Management of the Township of Pennsauken is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal state programs. In planning and performing our audit, we considered the Township's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

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

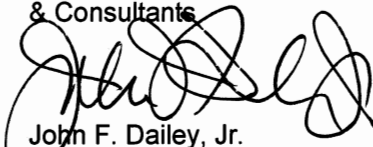
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
 Certified Public Accountants
 & Consultants



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

Voorhees, New Jersey
 July 11, 2012

TOWNSHIP OF PENNSAUKEN
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Federal Grantor/ Program Title	CFDA Number	Pass-through / Grantor's Number	Award Amount	Matching Contribution	<u>Grant Period</u> From To	
<u>Department of Housing and Urban Development</u>						
Passed through County of Camden:						
Community Development Block Grant:						
Year XXIX	14.218	N/A	\$ 123,900.00	N/A	07/01/07	06/30/08
Year XXX	14.218	N/A	131,846.00	N/A	07/01/08	06/30/09
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
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	121,470.95	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
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 2011 Municipal & Urban Aid Program	20.205	N/A	212,700.00	\$ 25,000.00	03/03/10	Completion
FY 2012 Municipal & Urban Aid Program	20.205	N/A	200,000.00	49,000.00	04/07/11	Completion
Highway Safety Cluster:						
Passed through State Division of Highway Traffic Safety:						
Alcohol Impaired Driving Countermeasures						
Incentive Grants --						
Over the Limit, Under Arrest Mobilization Grant	20.601	N/A	9,400.00	N/A	08/20/10	01/02/11
Over the Limit, Under Arrest Mobilization Grant	20.601	N/A	4,400.00	N/A	08/20/11	01/02/12
Occupant Protection Incentive Grants - Click it or Ticket	20.602	N/A	4,000.00	N/A	05/23/11	07/05/11
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	10/01/10	09/30/11
Total Federal Financial Assistance						

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

Balance Dec 31, 2010	Receipts or Revenues Realized	Adjustments	Disbursements/ Expenditures	Encumbrances	Balance Dec 31, 2011	(Memo Only)	
						Cash Receipts	Accumulated Expenditures
\$ 0.48			\$ 0.48				\$ 123,900.00
31,442.53			24,547.97		\$ 6,894.56	\$ 3,048.52	131,846.00
105,495.97	\$ 3,150.00		25,083.04		83,562.93	2,705.44	124,951.44
	120,200.00		4,252.27		115,947.73	65,024.96	48,283.07
136,938.98	123,350.00	-	53,883.76	-	206,405.22	3,604.11	4,252.27
722,513.66			309,711.23		412,802.43	74,383.03	433,232.78
5,249.63			5,249.63			205,511.39	589,917.57
21,763.00			18,363.77	\$ 2,419.95	979.28	3,837.00	121,470.95
	17,198.00				17,198.00		18,363.77
27,012.63	17,198.00	-	23,613.40	2,419.95	18,177.28	3,837.00	139,834.72
749,526.29	17,198.00	-	333,324.63	2,419.95	430,979.71	209,348.39	729,752.29
36,507.40			36,482.40	25.00	-		154,875.00
47,927.66			47,927.66			71,497.78	237,700.00
	249,000.00		219,840.33		29,159.67	147,132.58	219,840.33
47,927.66	249,000.00	-	267,767.99	-	29,159.67	218,630.36	457,540.33
898.46		\$ (320.66)	577.80			4,679.34	9,079.34
	4,400.00		4,400.00			4,400.00	4,400.00
898.46	4,400.00	(320.66)	4,977.80	-	-	9,079.34	13,479.34
-	4,000.00	(193.66)	3,806.34			3,806.34	3,806.34
898.46	8,400.00	(514.32)	8,784.14	-	-	12,885.68	17,285.68
48,826.12	257,400.00	(514.32)	276,552.13	-	29,159.67	231,516.04	474,826.01
	5,000.00		5,000.00			5,000.00	5,000.00
\$ 971,798.79	\$ 402,948.00	\$ (514.32)	\$ 705,242.92	\$ 2,444.95	\$ 666,544.60	\$ 520,247.46	\$ 1,797,686.08

TOWNSHIP OF PENNSAUKEN
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Note 1: **GENERAL**

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

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying 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>
Federal and State Grant Fund	\$383,591.17
Trust Other Funds	53,883.76
General Capital Fund	<u>267,767.99</u>
	<u>\$705,242.92</u>

Note 4: **ADJUSTMENTS**

Amounts in the adjustment column on the Schedule of Federal Awards canceled receivables for unexpended grants.

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, 2011

TOWNSHIP OF PENNSAUKEN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

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? X yes none reported

Noncompliance material to financial statements noted? X yes 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:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
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, 2011

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

State Financial Assistance

Not applicable.

Internal control over compliance:

Material weaknesses identified? _____ yes _____ no

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

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

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

Identification of major programs:

GMIS Numbers

Name of State Program

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? _____ yes _____ no

TOWNSHIP OF PENNSAUKEN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

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. 2011-1

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 2011, 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, 2011

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

Finding No. 2011-2

Criteria or Specific Requirement

Good internal control practices and the procedures promulgated by the New Jersey Administrative Office of the Courts require that bank reconciliations have all of its outstanding items addressed and accounted for in a timely manner.

Condition

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

Context

There were substantial delays in starting audit fieldwork in the Municipal Court because the bank reconciliations for most of 2011 had not been completed.

Effect

Without proper internal controls over the preparation of bank reconciliations, errors or misappropriation of assets could go undetected. In addition, the Township is not in compliance with the monthly municipal court financial procedures promulgated by the New Jersey Administrative Office of the Courts.

Cause

Personnel assigned to reconcile the accounts do not possess the necessary skills and knowledge to perform the procedure timely and accurately.

Recommendation

The Township should establish proper internal controls over the preparation of complete and accurate bank reconciliations in the Municipal Court.

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, 2011

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, 2011

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.

Not applicable.

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

This section identifies the status of prior year findings related to the financial statements and 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. 2010-1

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. 2011-1)

Planned Corrective Action

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

Finding No. 2010-2

Condition

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

Current Status

This condition remains unchanged (See Finding No. 2011-2)

Planned Corrective Action

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

Not Applicable.

TOWNSHIP OF PENNSAUKEN
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Jack Killion	Mayor	
John Kneib	Deputy Mayor	
Bill Orth	Committeeman	
John Figueroa	Committeeman	
Rick Taylor	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)
Law Offices of Timothy J. Higgins	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.

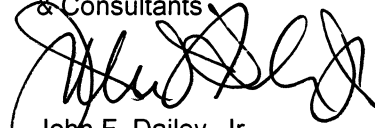
13800

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

A handwritten signature in black ink, appearing to read "John F. Dailey, Jr.", written over the company name.

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

