

BOROUGH OF RUNNEMEDE

COUNTY OF CAMDEN

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2012**



BOROUGH OF RUNNEMEDE
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
 <u>PART 1</u>		
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5
 <u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance--Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	12
 <u>TRUST FUND</u>		
B	Statement of Assets, Liabilities and Reserves--Regulatory Basis	17
 <u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	18
 <u>SEWER UTILITY FUND</u>		
D	Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	19
D-1	Sewer Utility Operating Fund--Statements of Operations and Changes in Operating Fund Balance – Regulatory Basis	20
D-2	Sewer Utility Operating Fund – Statement of Revenues – Regulatory Basis	21
D-3	Sewer Utility Operating Fund – Statement of Expenditures – Regulatory Basis	22
 <u>GENERAL FIXED ASSETS ACCOUNT GROUP</u>		
F	Statement of General Fixed Asset Group of Accounts	23
	Notes to Financial Statements	24
 <u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash--Treasurer	42
SA-2	Schedule of Change Funds	43

BOROUGH OF RUNNEMEDE
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>CURRENT FUND (CONT'D)</u>		
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	44
SA-4	Statement of Tax Title Liens	45
SA-5	Statement of Revenue Accounts Receivable	46
SA-6	Statement of Appropriation Reserves	47
SA-7	Statement of Reserve for Encumbrances	49
SA-8	Statement of Deferred Charges N.J.S. 40A:4-53 Special Emergency	50
SA-9	Statement of Due State of New Jersey Senior Citizens' and Veterans' Deductions CH.73, P.L. 1976	51
SA-10	Statement of Prepaid Taxes	52
SA-11	Statement of Tax Overpayments	53
SA-12	Statement of County Taxes Payable	54
SA-13	Statement of Due County for Added and Omitted Taxes	55
SA-14	Statement of Prepaid Local District School Tax	56
SA-15	Statement of Prepaid Regional High School Tax	56
SA-16	Statement of Accounts Payable	57
SA-17	Statement of Reserve for Reassessment Program	57
SA-18	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	58
SA-19	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	59
SA-20	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	60
SA-21	Federal and State Grant Fund—Statement of Due to/from Current Fund	61
<u>TRUST FUND</u>		
SB-1	Statement of Cash--Treasurer	63
SB-2	Animal Control Trust Fund--Statement of Reserve for Animal Control Fund Expenditures	64
SB-3	Animal Control Trust Fund--Statement of Due to Current Fund	65
SB-4	Animal Control Trust Fund--Statement of Due to State of New Jersey	65
SB-5	Community Development Block Grant Fund--Statement of Community Development Block Grant Receivable	66
SB-6	Community Development Block Grant Fund—Statement of Due to / from General Capital Fund	66
SB-7	Community Development Block Grant Fund--Statement of Reserve for Community Development Block Grant	67
SB-8	Trust Fund—Other—Statement of Changes in Miscellaneous Trust Other Reserves	68

BOROUGH OF RUNNEMEDE
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
 <u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash	70
SC-2	Analysis of General Capital Cash	71
SC-3	Statement of Deferred Charges to Future Taxation--Funded	72
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	73
SC-5	Schedule of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act	74
SC-6	Statement of Due To Current Fund	75
SC-7	Statement of Capital Improvement Fund	76
SC-8	Statement of Improvement Authorizations	77
SC-9	Statement of Bond Anticipation Notes	78
SC-10	Statement of General Serial Bonds	79
SC-11	Statement of General Bonds and Notes Authorized But Not Issued	80
 <u>SEWER UTILITY FUND</u>		
SD-1	Statement of Sewer Utility Cash--Treasurer	82
SD-2	Sewer Utility Capital Fund--Analysis of Sewer Capital Cash	83
SD-3	Sewer Utility Operating Fund--Statement of Sewer Rents Receivable	84
SD-4	Sewer Utility Operating Fund--Statement of Appropriation Reserves	85
SD-5	Sewer Utility Capital Fund--Schedule of Fixed Capital	86
SD-6	Sewer Utility Operating Fund--Statement of Accrued Interest on Bonds and Loans	87
SD-7	Sewer Utility Capital Fund--Statement of Reserve for Amortization	88
SD-8	Sewer Utility Capital Fund--Statement of Loans Payable	89
SD-9	Sewer Utility Capital Fund--Statement of Serial Bond Payable	90
SD-10	Sewer Utility Capital Fund--Statement of Improvement Authorizations	91
SD-11	Sewer Utility Capital Fund--Statement of Due To Sewer Utility Operating Fund	92
SD-12	Sewer Utility Capital Fund--Statement of Due NJEIT Loan Receivable	93
SD-13	Sewer Utility Capital Fund--Statement of Fixed Capital Authorized and Uncompleted	94
SD-14	Sewer Utility Capital Fund--Statement of Sewer Bonds and Notes Authorized But Not Issued	95
 <u>PART 2</u>		
	Schedule of Findings and Recommendations	97
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	100
	Officials in Office and Surety Bonds	101
	APPRECIATION	102

BOROUGH OF RUNNEMEDE

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Runnemede
Runnemede, New Jersey 08078

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of December 31, 2012 and 2011, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2012 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Information

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

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

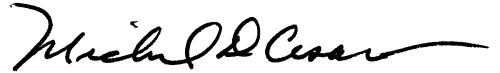
Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2013 on our consideration of the Borough of Runnemede's, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Runnemede's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
December 12, 2013

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Runnemede
Runnemede, New Jersey 08078

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated December 12, 2013. That report indicated that the Borough of Runnemede's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Recommendations, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency described in the accompanying Schedule of Findings and Recommendations to be a material weakness: 2012-1.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency described in the accompanying Schedule of Findings and Recommendations to be a significant deficiency: 2012-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Borough of Runnemede's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying Schedule of Findings and Recommendations as item 2012-3.


The Borough of Runnemede's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
December 12, 2013

BOROUGH OF RUNNEMEDE**CURRENT FUND**

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

As of December 31, 2012 and 2011

<u>ASSETS</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Regular Fund:			
Cash	SA-1	\$ 1,637,798.45	\$ 1,515,365.79
Cash--Change Funds	SA-2	400.00	400.00
		<u>1,638,198.45</u>	<u>1,515,765.79</u>
Receivable with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	456,997.04	355,300.33
Tax Title Liens Receivable	SA-4	51,424.78	43,634.25
Property Acquired for Taxes--Assessed Valuation		23,817.50	23,817.50
Revenue Accounts Receivable	SA-5	22,565.07	10,567.54
Due from Municipal Court		247.35	247.35
Prepaid Local School Taxes	SA-14	1.49	
Prepaid Regional High School Taxes	SA-15	29.98	29.97
Due from Federal and State Grant Fund	SA-21		157,716.77
Due from Animal Control Fund	SB-3	504.49	504.49
Due from Trust Other Fund	SB-1	102,031.89	67,166.20
Due from Community Development Block Grant Fund	SB-1	73,431.96	7,188.41
Accounts Receivable - Other		270.55	270.55
Due from Bank		2,170.80	2,170.80
Due Camden County Utility Authority		1,736.09	1,736.09
Accounts Receivable - Transportation Trust Fund Aid		63,837.90	63,837.90
		<u>799,066.89</u>	<u>734,188.15</u>
Deferred Charges:			
Special Emergency Appropriation	SA-8	125,000.00	10,000.00
Emergency Appropriation	A-3		100,000.00
Overexpenditure of Appropriation	A-3	15,000.00	15,000.00
		<u>140,000.00</u>	<u>125,000.00</u>
		<u>2,577,265.34</u>	<u>2,374,953.94</u>
Federal and State Grant Fund:			
Cash	SA-1	9,910.10	
Federal and State Grant Receivable	SA-18	346,063.35	376,661.96
		<u>355,973.45</u>	<u>376,661.96</u>
		<u>\$ 2,933,238.79</u>	<u>\$ 2,751,615.90</u>

(Continued)

BOROUGH OF RUNNEMEDE**CURRENT FUND**

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

As of December 31, 2012 and 2011

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-6	\$ 249,364.41	\$ 128,207.41
Reserve for Encumbrances	SA-7	252,642.70	153,137.43
Unallocated Receipts		883.75	883.75
Due to State of New Jersey (Ch. 73, P.L. 1976)	SA-9	100,283.47	89,904.38
Prepaid Taxes	SA-10	91,516.67	146,824.92
Tax Overpayments	SA-11	17,425.95	33,008.10
Local School Taxes Payable	SA-14		82,460.50
Accounts Payable	SA-16	21,691.42	23,321.37
Contracts Payable		24,279.08	24,279.08
Due County for Added and Omitted Taxes	SA-13	2,160.78	3,837.13
Reserve for Reassessment Program	SA-17	15,033.00	
Reserve for Codification of Ordinances		1,240.96	1,240.96
Reserve for Sale of Municipal Assets		7,535.50	7,535.50
Due to General Capital Fund	SC-6	140,049.54	291,454.91
Due from Sewer Utility Operating Fund	SD-1	235,062.60	31,425.68
		<u>1,159,169.83</u>	<u>1,017,521.12</u>
Reserve for Receivables and Other Assets	A	799,066.89	734,188.15
Fund Balance	A-1	<u>619,028.62</u>	<u>623,244.67</u>
		<u>2,577,265.34</u>	<u>2,374,953.94</u>
Federal and State Grant Fund:			
Due Current Fund	SA-21		157,716.77
Reserve for Encumbrances	SA-20	3,764.08	29,136.23
Federal and State Grants Unappropriated	SA-19	187,063.26	25,384.83
Federal and State Grants Appropriated	SA-20	165,146.11	164,424.13
		<u>355,973.45</u>	<u>376,661.96</u>
		<u>\$ 2,933,238.79</u>	<u>\$ 2,751,615.90</u>

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

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

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 429,880.00	\$ 200,000.00
Miscellaneous Revenue Anticipated	1,898,819.24	1,899,369.74
Receipts from Delinquent Taxes	362,113.55	373,708.29
Receipts from Current Taxes	17,936,147.49	17,618,414.15
Non-Budget Revenue	89,112.73	64,993.23
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	135,182.77	236,391.20
Reserves Liquidated:		
Prepaid Local School Taxes		2.02
Due from Federal and State Grant Fund	157,716.77	
Due from General Capital Fund		108,543.77
Due from Sewer Utility Operating Fund		26,538.42
Total Income	<u>21,008,972.55</u>	<u>20,527,960.82</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS"		
Salaries and Wages	2,502,114.34	2,438,664.36
Other Expenses	2,536,842.50	2,298,228.64
Deferred Charges and Statutory Expenditures--		
Municipal--Within "CAPS"	736,735.00	754,213.00
Operations--Excluded from "CAPS"		
Salaries and Wages	302,839.40	312,352.72
Other Expenses	234,857.87	238,261.86
Capital Improvements--Excluded from "CAPS"	35,000.00	50,000.00
Municipal Debt Service--Excluded from "CAPS"	692,053.38	827,803.75
Emergency Authorizations - Excluded from "CAPS"	105,000.00	5,000.00
County Taxes	4,005,917.01	3,886,511.40
Due County for Added and Omitted Taxes	2,160.78	3,837.13
Local District School Tax	6,526,898.00	6,354,844.00
Regional High School Tax	2,905,779.58	2,802,355.02
Senior Citizens' Deductions Disallowed by Collector - Prior Year	16,000.00	13,250.00
Refund of Prior Year Revenue		
Reserves Created:		
Prepaid Local School Taxes	1.49	
Prepaid Regional School Taxes	0.01	
Due from Federal and State Grant Fund		157,716.77
Due from Animal Control Fund		484.08
Due from Trust Other Fund	34,865.69	59,282.83
Due from Community Development Block Grant Fund	66,243.55	7,069.59
Total Expenditures	<u>20,703,308.60</u>	<u>20,209,875.15</u>
Excess in Revenue	305,663.95	318,085.67
Adjustment to income Before Fund Balance:		
Expenditures Included Above which are by Statute Deferred		
Charged to Budget of Succeeding Year	<u>120,000.00</u>	<u>115,000.00</u>
	425,663.95	433,085.67
<u>Fund Balance</u>		
Balance Jan. 1	<u>623,244.67</u>	<u>390,159.00</u>
	1,048,908.62	823,244.67
Decreased by:		
Utilized as Revenue	<u>429,880.00</u>	<u>200,000.00</u>
Balance Dec. 31	<u>\$ 619,028.62</u>	<u>\$ 623,244.67</u>

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

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

	<u>Anticipated</u>	Special		Excess or
	<u>Budget</u>	<u>N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Deficit</u>
Fund Balance Anticipated	\$ 429,880.00		\$ 429,880.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	15,150.00		12,650.00	\$ (2,500.00)
Other	4,700.00		250.00	(4,450.00)
Fees and Permits	55,000.00		59,883.90	4,883.90
Fines and Costs:				
Municipal Court	105,000.00		116,401.24	11,401.24
Interest and Costs on Taxes	90,000.00		98,263.03	8,263.03
Consolidated Municipal Property Tax Relief Aid	72,125.00		72,125.00	
Energy Receipts Tax	815,054.00		815,054.00	
Interlocal Service Agreement - Triton High School	88,000.00		95,551.00	7,551.00
Interlocal Service Agreement - NJ DMV - Police S/W	70,561.66		101,925.42	31,363.76
Municipal Alliance on Alcoholism and Drug Abuse	12,375.00		12,375.00	
Safe and Secure Communities Program	39,200.00		39,200.00	
Body Armor Replacement Fund		\$ 2,118.94	2,118.94	
Sustainable Jersey Small Grant		2,000.00	2,000.00	
Clean Communities Grant		13,161.71	13,161.71	
Alcohol Education Rehabilitation Fund		377.74	377.74	
Recycling Tonnage Grant		9,057.18	9,057.18	
Cable TV Franchise Fee	31,000.00		31,294.42	294.42
NJ LEA Fees	40,000.00		52,989.35	12,989.35
EMS Billings	220,000.00		220,000.00	
EMS Billings - Additional Billings	20,000.00		43,096.76	23,096.76
Hotel Tax	66,000.00		42,802.14	(23,197.86)
Payment in Lieu of Taxes	7,700.00		7,100.00	(600.00)
Recycling Revenue	18,000.00		19,842.41	1,842.41
Rental Income - 2011 Contract	9,450.00		9,450.00	
Rental Income - 2012 Contract	24,500.00		21,850.00	(2,650.00)
	<u>1,803,815.66</u>	<u>26,715.57</u>	<u>1,898,819.24</u>	<u>68,288.01</u>
Receipts from Delinquent Taxes	<u>262,000.00</u>		<u>362,113.55</u>	<u>100,113.55</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	4,766,233.30		4,758,594.15	(7,639.15)
Minimum Library Tax	184,051.04		184,051.04	
	<u>4,950,284.34</u>		<u>4,942,645.19</u>	<u>(7,639.15)</u>
Budget Totals	<u>7,445,980.00</u>	<u>26,715.57</u>	<u>7,633,457.98</u>	<u>160,762.41</u>
Non-Budget Revenues			<u>89,112.73</u>	<u>89,112.73</u>
	<u>\$ 7,445,980.00</u>	<u>\$ 26,715.57</u>	<u>\$ 7,722,570.71</u>	<u>\$ 249,875.14</u>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 17,936,147.49
Allocated to:	
School and County Taxes	<u>13,440,755.37</u>
Balance for Support of Municipal Budget Appropriations	4,495,392.12
Add: Appropriation "Reserve for Uncollected Taxes"	<u>447,253.07</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 4,942,645.19</u></u>

Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 362,113.55
Tax Title Lien Collections	<u>-</u>
	<u><u>\$ 362,113.55</u></u>

Analysis of Non-Budget Revenues

Sale of Municipal Assets	\$ 3,705.54
Tax Sale Costs	4,119.14
Payroll Administration Fee	975.00
Insurance Dividend	7,977.67
Insurance Reimbursements	43,906.29
Administrative Fee - Senior Citizens and Veterans Deductions	3,185.00
Miscellaneous	19,017.08
FEMA Reimbursement	<u>6,227.01</u>
	<u><u>\$ 89,112.73</u></u>

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

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

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS - WITHIN "CAPS"</u>						
<u>General Government</u>						
General Administration						
Salaries and Wages	\$ 93,000.00	\$ 97,000.00	\$ 96,932.00		\$ 68.00	
Other Expenses	44,200.00	44,200.00	38,404.43	\$ 577.96	5,217.61	
Mayor and Council						
Salaries and Wages	41,600.00	41,600.00	41,589.87		10.13	
Other Expenses	2,700.00	2,700.00	1,743.00		957.00	
Municipal Clerk						
Salaries and Wages	45,500.00	57,500.00	56,602.62		897.38	
Other Expenses	11,750.00	11,750.00	10,638.83	462.64	648.53	
Financial Administration						
Salaries and Wages	45,000.00	58,500.00	55,376.62		3,123.38	
Other Expenses	19,750.00	19,750.00	15,920.92	1,249.00	2,580.08	
Audit Services	50,000.00	50,000.00	50,000.00			
Collection of Taxes						
Salaries and Wages	50,000.00	38,000.00	37,502.13		497.87	
Other Expenses	9,700.00	9,700.00	7,942.31		1,757.69	
Assessment of Taxes						
Salaries and Wages	10,061.00	10,061.00	5,000.00		5,061.00	
Other Expenses	3,000.00	3,000.00	2,394.22		605.78	
Reassessment Program (N.J.S.A. 40A:4-53 + \$120,000.00)		120,000.00	120,000.00			
Legal Services and Costs						
Other Expenses	75,000.00	81,000.00	80,574.15		425.85	
Engineering Services						
Other Expenses	15,000.00	15,000.00	3,521.25	4,526.25	6,952.50	
Municipal Court						
Salaries and Wages	67,695.00	72,695.00	72,554.03		140.97	
Other Expenses	11,412.50	11,412.50	4,258.21	84.00	7,070.29	
Public Defender						
Salaries and Wages	4,590.00	4,590.00	4,305.60		284.40	
<u>Land Use Administration</u>						
Planning Board						
Salaries and Wages	1,200.00	2,200.00	1,970.75		229.25	
Other Expenses	5,420.00	5,420.00	2,293.55	600.00	2,526.45	
<u>Public Safety Functions</u>						
Emergency Medical Services						
Salaries and Wages	250,000.00	285,000.00	284,354.10		645.90	
Other Expenses	26,000.00	41,000.00	28,439.60	9,396.25	3,164.15	
Police						
Salaries and Wages	1,447,838.34	1,362,838.34	1,352,823.78		10,014.56	
Other Expenses	61,200.00	61,200.00	55,705.86	2,437.41	3,056.73	

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
<u>OPERATIONS - WITHIN "CAPS" (Cont'd)</u>						
<u>Public Safety Functions (Cont'd)</u>						
Fire						
Aid to Volunteer Fire Company	\$ 36,050.00	\$ 36,050.00	\$ 35,950.00		\$ 100.00	
Salaries and Wages	85,000.00	85,000.00	83,737.58		1,262.42	
Fire Hydrant Service	76,000.00	76,000.00	70,422.76	\$ 547.20	5,030.04	
Miscellaneous Other Expenses	31,000.00	31,000.00	24,204.14	6,765.40	30.46	
Municipal Prosecutor						
Salaries and Wages	13,000.00	13,000.00	11,232.00		1,768.00	
<u>Public Works Functions</u>						
Streets and Roads Maintenance						
Salaries and Wages	85,000.00	85,000.00	85,000.00			
Other Expenses	32,200.00	32,200.00	19,980.34	5,157.76	7,061.90	
Vehicle Maintenance						
Other Expenses	60,000.00	80,000.00	65,437.76	14,452.81	109.43	
Solid Waste Collection						
Salaries and Wages	286,630.00	250,630.00	229,715.98		20,914.02	
Other Expenses-Contractual	243,000.00	243,000.00	220,931.58	20,846.00	1,222.42	
Building and Grounds						
Other Expenses	25,000.00	30,000.00	28,482.35	1,093.01	424.64	
<u>Health and Human Services</u>						
Board of Health						
Salaries and Wages	4,000.00	4,000.00	3,345.29		654.71	
Other Expenses	1,100.00	1,100.00	747.35	340.95	11.70	
<u>Park and Recreation Functions</u>						
Recreation						
Salaries and Wages	7,500.00	7,500.00	7,500.00			
Other Expenses	13,500.00	13,500.00	4,089.79		9,410.21	
<u>Code Enforcement</u>						
Code Enforcement						
Salaries and Wages	16,000.00	22,000.00	20,313.57		1,686.43	
Other Expenses	1,000.00	1,000.00	226.87		773.13	
<u>Insurance</u>						
Liability Insurance	100,000.00	100,000.00	99,992.10		7.90	
Workers Compensation Insurance	100,000.00	100,000.00	99,998.10		1.90	
Employee Group Insurance	698,880.00	698,880.00	583,378.60	54,185.40	61,316.00	
Employee Group Health Waivers	4,980.00	4,980.00			4,980.00	

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
<u>OPERATIONS - WITHIN "CAPS" (Cont'd)</u>						
<u>Other Common Operating Functions</u>						
Reserve for Payment of Unused Accumulated Sick Pack	\$ 5,000.00	\$ 5,000.00			\$ 5,000.00	
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	20,000.00	20,000.00	\$ 19,447.25	\$ 387.00	165.75	
Electricity	50,000.00	50,000.00	32,210.28	16,643.65	1,146.07	
Street Lighting	93,000.00	98,000.00	92,538.66		5,461.34	
Natural Gas	27,000.00	27,000.00	16,657.89	64.88	10,277.23	
Telephone	35,000.00	40,000.00	32,498.85	4,627.71	2,873.44	
Water	1,500.00	2,000.00	1,583.51	300.00	116.49	
Gasoline	100,000.00	100,000.00	83,809.84	8,130.93	8,059.23	
Sewer Treatment	2,000.00	2,000.00	503.28	96.72	1,400.00	
Landfill/Solid Waste Disposal Costs	274,000.00	274,000.00	161,223.14	86,353.89	26,422.97	
Total Operations within "CAPS"	<u>4,918,956.84</u>	<u>5,038,956.84</u>	<u>4,566,006.69</u>	<u>239,326.82</u>	<u>233,623.33</u>	
Salaries and Wages	2,558,614.34	2,502,114.34	2,449,855.92		52,258.42	
Other Expenses (Including Contingent)	<u>2,360,342.50</u>	<u>2,536,842.50</u>	<u>2,116,150.77</u>	<u>239,326.82</u>	<u>181,364.91</u>	
<u>Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	160,018.00	160,018.00	160,018.00			
Social Security System	125,000.00	125,000.00	125,000.00			
Police and Firemen's Retirement System of N.J.	422,967.00	422,967.00	422,967.00			
Unemployment Comp. Insurance	20,000.00	20,000.00	19,954.28		45.72	
Defined Contribution Retirement Program	2,500.00	2,500.00			2,500.00	
Disability	<u>6,250.00</u>	<u>6,250.00</u>	<u>3,231.66</u>		<u>3,018.34</u>	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	<u>736,735.00</u>	<u>736,735.00</u>	<u>731,170.94</u>		<u>5,564.06</u>	
Total General Appropriations for Municipal Purposes within "CAPS"	<u>5,655,691.84</u>	<u>5,775,691.84</u>	<u>5,297,177.63</u>	<u>239,326.82</u>	<u>239,187.39</u>	
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Landfill Fees - Recycling Tax	9,000.00	9,000.00	6,544.24	2,431.76	24.00	
Maintenance of Free Public Library	<u>184,051.04</u>	<u>184,051.04</u>	<u>175,995.43</u>	<u>3,912.92</u>	<u>4,142.69</u>	
Total Other Operations - Excluded from "CAPS"	<u>193,051.04</u>	<u>193,051.04</u>	<u>182,539.67</u>	<u>6,344.68</u>	<u>4,166.69</u>	

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
<u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u>						
Interlocal Municipal Service Agreements:						
Triton High School - Police S/W	\$ 88,000.00	\$ 88,000.00	\$ 78,152.74	\$ 6,971.20	\$ 2,876.06	
NJ DMV - Police S/W	70,561.66	70,561.66	67,427.39		3,134.27	
Total Interlocal Municipal Service Agreements	158,561.66	158,561.66	145,580.13	6,971.20	6,010.33	
<u>Public and Private Programs Offset by Revenues</u>						
Safe and Secure Communities Program	143,900.00	143,900.00	143,900.00			
Sustainable Jersey Small Grant (NJS40A:4-87 +\$2,000.00)		2,000.00	2,000.00			
Municipal Alliance on Alcoholism and Drug Abuse	15,469.00	15,469.00	15,469.00			
Recycling Tonnage Grant (NJS40A:4-87 +\$9,057.18)		9,057.18	9,057.18			
Body Armor Grant (NJS 40A:4-87 \$2,118.94)		2,118.94	2,118.94			
Clean Communities Grant (NJS 40A:4-87 \$13,161.71)		13,161.71	13,161.71			
Alcohol Education and Rehabilitation Fund (NJS 40A:4-87 \$377.74)		377.74	377.74			
Total Public and Private Programs Offset by Revenues	159,369.00	186,084.57	186,084.57			
Total Operations - Excluded from "CAPS"	510,981.70	537,697.27	514,204.37	13,315.88	10,177.02	
Detail:						
Salaries and Wages	302,461.66	302,839.40	289,857.87	6,971.20	6,010.33	
Other Expenses	208,520.04	234,857.87	224,346.50	6,344.68	4,166.69	
<u>Capital Improvements - Excluded from "CAPS"</u>						
Capital Improvement Fund	35,000.00	35,000.00	35,000.00			
Total Capital Improvements Excluded from "CAPS"	35,000.00	35,000.00	35,000.00			

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

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Municipal Debt Service - Excluded from "CAPS"</u>						
Payment of Bond Principal	\$ 541,000.00	\$ 541,000.00	\$ 541,000.00			
Interest on Notes	13,594.63	13,594.63	13,594.63			
Interest on Bonds	137,458.76	137,458.76	137,458.75			\$ 0.01
Total Municipal Debt Service - Excluded from "CAPS"	692,053.39	692,053.39	692,053.38			0.01
<u>Deferred Charges - Municipal Excluded from "CAPS"</u>						
Emergency Authorizations	100,000.00	100,000.00	100,000.00			
Special Emergency Authorizations - 5 years (N.J.S.40A:4-55)	5,000.00	5,000.00	5,000.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	105,000.00	105,000.00	105,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,343,035.09	1,369,750.66	1,346,257.75	\$ 13,315.88	\$ 10,177.02	0.01
Subtotal General Appropriations	6,998,726.93	7,145,442.50	6,643,435.38	252,642.70	249,364.41	0.01
Reserve for Uncollected Taxes	447,253.07	447,253.07	447,253.07			
Total General Appropriations	\$ 7,445,980.00	\$ 7,592,695.57	\$ 7,090,688.45	\$ 252,642.70	\$ 249,364.41	\$ 0.01
Original Budget		\$ 7,445,980.00				
Special Emergency Appropriation		120,000.00				
Chapter 159's		26,715.57				
		<u>\$ 7,592,695.57</u>				
Reserve for Uncollected Taxes			\$ 447,253.07			
Reserve for Federal and State Grants -- Appropriated			186,084.57			
Disbursements			6,232,350.81			
Special Emergency Appropriation			125,000.00			
Emergency Appropriation			100,000.00			
			<u>\$ 7,090,688.45</u>			

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

BOROUGH OF RUNNEMEDE
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2012 and 2011

<u>ASSETS</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Animal Control Fund:			
Cash	SB-1	\$ 18,804.10	\$ 14,679.39
Other Funds:			
Cash	SB-1	505,768.45	500,415.85
Due from Sewer Utility Operating Fund	SB-1	8,068.92	8,068.92
Accounts Receivable -- Police Outside Employment:			
Due from Contractors	SB-8	25,558.31	13,217.06
		<u>539,395.68</u>	<u>521,701.83</u>
Community Development Block Grant Fund:			
Cash	SB-1	33,345.95	25,186.55
Due General Capital Fund	SB-6	29,586.01	
Community Development Block Grant Receivable	SB-5	38,200.00	42,978.52
		<u>101,131.96</u>	<u>68,165.07</u>
		<u>\$ 659,331.74</u>	<u>\$ 604,546.29</u>
 <u>LIABILITIES</u> <u>AND RESERVES</u>			
Animal Control Fund:			
Due State of NJ - State Registration Fees	SB-4	\$ 15.00	
Due to Current Fund		504.49	\$ 504.49
Reserve for Animal Control Expenditures	SB-2	18,284.61	14,174.90
		<u>18,804.10</u>	<u>14,679.39</u>
Other Funds:			
Due State of NJ - Marriage License Fees	SB-8	400.00	400.00
Street Opening Deposits	SB-8	21,187.32	21,187.32
Due Runnemede Sewerage Authority	SB-8	8,192.76	8,192.76
Deposits - Due to Contractor	SB-8	2,200.00	2,200.00
Miscellaneous Trust Liabilities and Reserves:			
Uniform Construction Code	SB-8	30,251.15	18,874.11
New Jersey Unemployment Compensation	SB-8	4,909.15	4,021.36
Planning Board Escrow	SB-8	116,285.71	122,761.46
Tax Title Lien Redemption	SB-8	146,719.56	205,209.74
Parking Offenses Adjudication Act - POAA	SB-8	845.00	773.00
Special Law Enforcement Fund	SB-8	4,335.72	2,125.55
Funds Held in Escrow	SB-8	2,064.97	2,767.33
Recreation Facility Escrow	SB-8	900.00	900.00
Forfeited Property	SB-8	3,547.40	3,547.40
Public Defender Fees	SB-8	6,731.17	4,981.67
Payroll Deductions Payable	SB-8	73,203.11	43,447.92
Uniform Fire Safety	SB-8	1,444.64	3,202.29
Municipal Alliance Contributions	SB-8	3,586.77	5,879.45
Public Events	SB-8	10,559.36	4,064.27
Due to Current Fund	SB-1	102,031.89	67,166.20
		<u>539,395.68</u>	<u>521,701.83</u>
Community Development Block Grant Fund:			
Reserve for Community Development Block Grant	SB-7	27,700.00	19,503.11
Due Current Fund	SB-1	73,431.96	7,188.41
Due General Capital Fund	SB-6		41,473.55
		<u>101,131.96</u>	<u>68,165.07</u>
		<u>\$ 659,331.74</u>	<u>\$ 604,546.29</u>

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

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Cash	SC-1	\$ 1,984.81	\$ 43,751.73
Deferred Charges to Future Taxation:			
Funded	SC-3	2,734,000.00	3,275,000.00
Unfunded	SC-4	2,894,500.00	2,229,500.00
State Aid Receivable -- New Jersey			
Transportation Trust Fund Authority Act	SC-5	185,065.50	185,065.50
Note Receivable -- Runsen House		300,000.00	300,000.00
Due from Current Fund	SC-6	140,049.54	291,454.91
Due from CDBG Fund	SC-1		41,473.55
Due from Sewer Utility Capital Fund	SC-1	59,105.20	75,000.00
		<u>\$ 6,314,705.05</u>	<u>\$ 6,441,245.69</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-10	\$ 2,734,000.00	\$ 3,275,000.00
Bond Anticipation Notes	SC-9	1,729,000.00	779,000.00
Improvement Authorizations:			
Funded	SC-8	145,259.59	115,259.59
Unfunded	SC-8	817,149.28	1,372,809.87
Reserves for Encumbrances	SC-8	355,927.69	395,393.75
Due to Sewer Utility Operating Fund		46,527.00	46,527.00
Due CDBG Fund	SC-1	29,586.01	
Capital Improvement Fund	SC-7	57,450.00	57,450.00
Reserve for State Aid Receivable -- New Jersey			
Transportation Trust Fund Authority Act - Ord. #95-3;96-13	SC-5	99,785.50	99,785.50
Reserve for Note Receivable -- Runsen House		300,000.00	300,000.00
Fund Balance		19.98	19.98
		<u>\$ 6,314,705.05</u>	<u>\$ 6,441,245.69</u>

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

BOROUGH OF RUNNEMEDE
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
ASSETS:			
Operating Fund:			
Cash	SD-1	\$ 162,384.01	\$ 30,620.22
Due Current Fund	SD-1	235,062.60	31,425.68
Due General Capital Fund		46,527.00	46,527.00
Due Sewer Utility Capital Fund	SD-11	0.74	297,541.43
Receivables with Full Reserves:			
Due from Bank		165.73	165.73
Sewer Rents Receivable	SD-3	74,073.64	73,314.86
		<u>518,213.72</u>	<u>479,594.92</u>
Capital Fund:			
Cash	SD-1	19,453.13	1,543.82
Fixed Capital	SD-5	3,730,058.49	3,730,058.49
Fixed Capital Authorized and Uncompleted	SD-13	2,275,000.00	2,200,000.00
NJEIT Loan Receivable	SD-12	465,656.00	871,106.00
		<u>6,490,167.62</u>	<u>6,802,708.31</u>
		<u>\$ 7,008,381.34</u>	<u>\$ 7,282,303.23</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Operating Fund:			
Liabilities:			
Reserves for Encumbrances	D-3, SD-4	\$ 29,370.46	\$ 24,401.90
Appropriation Reserves	D-3	51,867.83	51,012.92
Accounts Payable	SD-4	15,931.30	8,587.83
Accrued Interest on Bonds and Notes	SD-6	31,100.98	32,919.97
Due to Trust Other Fund		8,068.92	8,068.92
Escrow Deposits		2,661.20	2,661.20
		<u>139,000.69</u>	<u>127,652.74</u>
Reserve for Receivables		74,239.37	73,480.59
Fund Balance	D-1	<u>304,973.66</u>	<u>278,461.59</u>
		<u>518,213.72</u>	<u>479,594.92</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-10	495,108.39	495,108.39
Unfunded	SD-10	153,894.80	153,000.00
Due Sewer Utility Operating Fund	SD-11	0.74	297,541.43
Due General Capital Fund	SD-1	59,105.20	75,000.00
Loans Payable	SD-8	2,553,175.94	2,718,694.91
Serial Bonds	SD-9	66,000.00	75,000.00
Capital Improvement Fund		5,000.00	5,000.00
Reserve for Amortization	SD-7	3,157,882.55	2,983,363.58
		<u>6,490,167.62</u>	<u>6,802,708.31</u>
		<u>\$ 7,008,381.34</u>	<u>\$ 7,282,303.23</u>

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

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Anticipated	\$ 110,000.00	\$ 90,000.00
Sewer Rents	777,993.71	786,898.62
Miscellaneous	17,330.47	28,022.40
Other Credits to Income:		
Unexpended Balance to Appropriation Reserves	50,488.90	61,148.16
	<u>955,813.08</u>	<u>966,069.18</u>
Total Income		
	<u>955,813.08</u>	<u>966,069.18</u>
EXPENDITURES:		
Operating	585,000.00	565,286.46
Debt Service	190,278.74	255,813.66
Capital Improvements	20,000.00	
Deferred Charges and Statutory Expenditures	24,022.27	22,100.00
	<u>819,301.01</u>	<u>843,200.12</u>
Total Expenditures		
	<u>819,301.01</u>	<u>843,200.12</u>
Excess in Revenues	136,512.07	122,869.06
FUND BALANCE:		
Balance January 1	278,461.59	245,592.53
	414,973.66	368,461.59
Decreased by:		
Utilized as Revenue	110,000.00	90,000.00
	<u>304,973.66</u>	<u>278,461.59</u>
Balance December 31		
	<u>\$ 304,973.66</u>	<u>\$ 278,461.59</u>

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

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2012

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 110,000.00	\$ 110,000.00	
Sewer Rents	756,000.00	777,993.71	\$ 21,993.71
Miscellaneous	<u>15,000.00</u>	<u>17,330.47</u>	<u>2,330.47</u>
	<u><u>\$ 881,000.00</u></u>	<u><u>\$ 905,324.18</u></u>	<u><u>\$ 24,324.18</u></u>

Analysis of Realized Revenues

Miscellaneous:

Receipts:

Connection Fees	\$ 700.00
Interest and Costs on Delinquent Rents	16,345.07
Interest on Deposits	235.40
Miscellaneous	<u>50.00</u>
	<u><u>\$ 17,330.47</u></u>

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

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2012

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 275,000.00	\$ 275,000.00	\$ 274,297.76		\$ 702.24	
Other Expenses	310,000.00	310,000.00	255,307.40	\$ 29,370.46	25,322.14	
Total Operating	<u>585,000.00</u>	<u>585,000.00</u>	<u>529,605.16</u>	<u>29,370.46</u>	<u>26,024.38</u>	
Capital Improvements:						
Capital Improvement Fund	5,000.00	5,000.00			5,000.00	
Capital Outlay	15,000.00	15,000.00			15,000.00	
Total Capital Improvements	<u>20,000.00</u>	<u>20,000.00</u>			<u>20,000.00</u>	
Debt Service:						
Payment of Bond and Loan Principal	174,518.97	174,518.97	139,518.97			\$ 35,000.00
Interest on Bonds and Loans	77,458.76	77,458.76	50,759.77			26,698.99
Total Debt Service	<u>251,977.73</u>	<u>251,977.73</u>	<u>190,278.74</u>			<u>61,698.99</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Disability	1,000.00	1,000.00	353.91		646.09	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. Seq.)	1,022.27	1,022.27	247.47		774.80	
Contributions to Social Security System (O.A.S.I.)	22,000.00	22,000.00	17,577.44		4,422.56	
Total Deferred Charges and Statutory Expenditures	<u>24,022.27</u>	<u>24,022.27</u>	<u>18,178.82</u>		<u>5,843.45</u>	
	<u>\$ 881,000.00</u>	<u>\$ 881,000.00</u>	<u>\$ 738,062.72</u>	<u>\$ 29,370.46</u>	<u>\$ 51,867.83</u>	<u>\$ 61,698.99</u>
Accrued Interest on Bonds			\$ 50,759.77			
Disbursed			687,302.95			
			<u>\$ 738,062.72</u>			

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

BOROUGH OF RUNNEMEDE
GENERAL FIXED ASSETS ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts
For the Year Ended December 31, 2012

	Balance <u>Dec. 31, 2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2012</u>
General Fixed Assets:				
Land	\$ 3,298,700.00			\$ 3,298,700.00
Building and Building Improvements	3,852,710.02			3,852,710.02
Vehicles	2,215,947.82	\$ 240,347.18		2,456,295.00
Equipment	<u>327,016.46</u>	<u>44,932.01</u>		<u>371,948.47</u>
Total General Fixed Assets	<u>\$ 9,694,374.30</u>	<u>\$ 285,279.19</u>	<u>\$ -</u>	<u>\$ 9,979,653.49</u>
Total Investments in General Fixed Assets	<u>\$ 9,694,374.30</u>	<u>\$ 285,279.19</u>	<u>\$ -</u>	<u>\$ 9,979,653.49</u>

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

BOROUGH OF RUNNEMEDE
Notes to Financial Statements
For the Year Ended December 31, 2012

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

Description of Financial Reporting Entity - The Borough of Runnemede is a New Jersey Municipal corporation located in the County of Camden, approximately fifteen miles southeast of the City of Philadelphia. The population according to the 2010 census is 8,468.

The Borough has a Mayor-Council form of government where the Mayor is separately elected to a four-year term. The Council consists of six members elected to three-year terms. However, executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk.

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

Runnemede Free Public Library
Broadway and Elm Avenue
Runnemede, New Jersey 08078

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

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough of Runnemede 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 Borough of Runnemede 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.

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

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

Basis of Accounting, Measurement Focus and Basis of Presentation (Cont'd)

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

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

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

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

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

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 Borough of Runnemede requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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 Borough has adopted a capitalization threshold of \$1,000. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Borough 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 Borough'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.

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

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 Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough 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 Borough's annual budget, but also the amounts required in support of the budgets of the County of Camden, Borough of Runnemede School District, and the Black Horse Pike Regional School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Runnemede School District and the Black Horse Pike Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local and regional high school districts for the period from January 1 to December 31.

Library Taxes - The municipality is responsible for levying, collecting and remitting library taxes for the Runnemede Free Public Library. Effective 2011, the amount of library tax is a separate local levy tax and is remitted to the Library through the municipal budget.

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.

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough 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.

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

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 Borough's deposits might not be recovered. Although the Borough 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.

As of December 31, 2012, the Borough's bank balances of \$2,594,553.23 were fully insured and collateralized.

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	\$5.502	\$5.351	\$5.104	\$5.047	\$4.978
Apportionment of Tax Rate:					
Municipal	\$1.480	\$1.462	\$1.379	\$1.347	\$1.248
County	1.200	1.159	1.073	1.054	1.041
Local School	1.953	1.895	1.817	1.808	1.823
Regional High School	0.869	0.835	0.835	0.838	0.866

Assessed Valuation

2012	\$334,255,309.00
2011	335,524,235.00
2010	337,250,055.00
2009	337,139,624.00
2008	337,867,063.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$18,400,634.33	\$17,936,147.49	97.48%
2011	17,971,617.42	17,618,414.15	98.03%
2010	17,244,688.90	16,867,655.12	97.81%
2009	17,046,623.80	16,708,358.59	98.02%
2008	16,851,764.77	16,519,326.43	98.03%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	\$51,424.78	\$456,997.04	\$508,421.82	2.76%
2011	43,634.25	355,300.33	398,934.58	2.22%
2010	41,859.60	370,155.94	412,015.54	2.38%
2009	41,185.20	340,542.28	381,727.48	2.19%
2008	30,097.88	338,317.79	305,508.49	2.28%

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

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

<u>Year</u>	<u>Number</u>
2012	13
2011	7
2010	7
2009	7
2008	2

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

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

<u>Year</u>	<u>Amount</u>
2012	\$23,817.50
2011	23,817.50
2010	23,817.50
2009	23,817.50
2008	23,817.50

Note 5: **SEWER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u> <u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash</u> <u>Collections</u>
2012	\$73,314.86	---	\$778,752.49	\$852,067.35	\$777,993.71
2011	86,941.55	---	773,271.93	860,213.48	786,898.62
2010	86,231.65	---	779,614.25	865,845.90	778,904.35
2009	49,095.29	---	779,841.27	828,936.56	742,704.91
2008	43,740.75	---	717,387.06	761,127.81	712,032.52

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2012	\$619,028.62	\$302,800.00	48.91%
2011	623,244.67	429,880.00	68.97%
2010	390,159.00	200,000.00	51.26%
2009	729,445.11	700,000.00	95.96%
2008	134,924.08	100,000.00	74.12%
<u>Sewer Utility Operating Fund</u>			
2012	\$304,973.66	\$105,000.00	34.43%
2011	278,461.59	110,000.00	39.50%
2010	245,592.53	90,000.00	36.64%
2009	149,057.21	85,000.00	57.03%
2008	109,609.52	56,000.00	51.09%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2012:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$175,968.34	\$375,112.14
Trust - Animal Control		504.49
Trust – Other Fund	8,068.92	102,031.89
Trust – Community Development	29,586.01	73,431.96
General Capital Fund	199,154.74	76,113.01
Sewer Utility Operating Fund	281,590.34	8,068.92
Sewer Utility Capital Fund		59,105.94
	<u>\$694,368.35</u>	<u>\$694,368.35</u>

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

Note 8: **PENSION PLANS**

The Borough of Runnemede 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. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of 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 Borough is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Pension Deferral</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
2012	\$57,083.00	\$95,846.00	\$7,089.00	\$160,018.00	---	\$160,018.00
2011	61,027.00	81,241.00	---	142,268.00	---	142,268.00
2010	62,801.00	61,276.00	---	124,077.00	---	124,077.00

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.

Note 8: PENSION PLANS (CONT'D)

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Pension Deferral</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
2012	\$194,261.00	\$202,835.00	\$25,871.00	\$422,967.00	---	\$422,967.00
2011	275,525.00	204,870.00	---	480,395.00	---	480,395.00
2010	242,644.00	159,023.00	---	401,667.00	---	401,667.00

Pension Deferral – Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allowed the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the PERS and PFRS obligations for payments due in the State fiscal year ending June 30, 2009. The payments were due on April 1, 2009 (with a grace period until April 30). The amount will be repaid starting in April of 2012 over a 15 year period. The amount will fluctuate based on pension system investment earnings on the deferred amount.

The Borough applied for and received approval from the Local Finance Board to defer a portion of the 2009 liability due for both PERS and PFRS.

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

Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

The Borough 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 Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 10: RUNSEN HOUSE SENIOR CITIZEN FACILITY

On February 12, 1992, the Borough of Runnemede adopted Ordinance 92-1 entitled Senior Citizen Facility. The purpose of the Ordinance was to provide Runsen Associates, Inc. with a loan in the amount of \$250,000.00 without interest, payable on the 30th anniversary of the full occupancy date, to assist financing of the construction of a senior citizen facility. The facility consists of 81 residential one-bedroom rental units for low-income eligible occupants. On March 2, 1993, the Borough of Runnemede increased the amount of the loan by \$50,000.00 by adopting Ordinance 93-1.

Note 11: OTHER POST EMPLOYMENT BENEFITS

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

Plan Description

The Borough contributes to the Southern New Jersey Regional Employee Benefit Fund ("the SNJREBF"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan. SNJREBF provides medical, prescription and dental coverage to retirees and their covered dependents. The SNJREBF was formed as a purchasing group effective August 1, 1992 and became a member of the Bergen Municipal Employee Benefits Fund (B-Med) as of September 1, 1992. In 1995 the Fund became an independent health insurance joint insurance fund pursuant to NJSA 40A:10-36 et. seq. and NJAC 11:15-3 when the fund received approval from the New Jersey Department of Insurance. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund was established for the purpose of containing medical costs. The SNJREBF issues a publicly available financial report that includes financial statements and required supplementary information for the SNJREBF. That report may be obtained by writing to Southern New Jersey Regional Employee Benefits Fund, Connor Strong Companies, Inc., PO Box 989, Marlton, New Jersey 08053.

Funding Policy

All members' assessments, including a reserve for contingencies, are based on annual actuarial assumptions determined by the Fund's Actuary and on monthly and quarterly adjustments determined by the Fund's Actuary and Program Manager based on actual loss experience. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough pays monthly premiums to the SNJREBF for its benefits. These benefits are funded on a pay-as-you-go basis and therefore are not recorded as accrued expenses. The Borough contributions to the SNJREBF for the years ended December 31, 2012, 2011, and 2010, were \$174,809.00, \$157,308.00, and \$152,795.00, respectively, which equaled the required contributions for each year. There were 13, 12, and 12 retired participants eligible at December 31, 2012, 2011, and 2010, respectively.

An actuarial calculation is required to be performed as of December 31, 2012. The Borough submitted the requested information but the calculations have not yet been completed by the Fund.

Note 12: COMPENSATED ABSENCES

Borough employees are entitled to five paid sick leave days during their first year of service, eight days beginning their second year of service, ten days beginning with their sixth year of service, and fifteen days beginning their tenth year of service. Unused sick leave may not be accumulated or carried forward to subsequent years. Borough employees are entitled to one week vacation time during their first year of service; two weeks beginning with their second year of service, and three weeks beginning with their fifth year of service; four weeks beginning with their eleventh year of service; and after fifteen years of service, employees are entitled to five weeks and one additional vacation day for each year of service over twenty, up to thirty. Vacation days not used during the year may not be accumulated and carried forward, except for police officers. Police officers may carry forward days to the subsequent year with approval of the Chief of Police.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2012, accrued benefits for compensated absences are valued at \$292,769.93.

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

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$4,463,000.00	\$4,054,000.00	\$3,938,000.00
Sewer Utility:			
Bonds, Notes and Loans	2,619,175.94	2,793,694.91	2,969,614.69
Total Issued	7,082,175.94	6,847,694.91	6,907,614.69
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,165,500.00	1,450,500.00	1,279,500.00
Sewer Utility:			
Bonds, Notes and Loans	263,000.00	153,000.00	153,000.00
Total Authorized but Not Issued	1,428,500.00	1,603,500.00	1,432,500.00
Total Issued and Authorized but Not Issued	8,510,675.94	8,451,194.91	8,340,114.69
Deductions:			
Self-liquidating	2,882,175.94	2,946,694.91	3,122,614.69
Accounts Receivable:			
NJ Transportation Trust	99,785.50	99,785.50	99,785.50
Total Deductions	2,981,961.44	3,046,480.41	3,222,400.19
Net Debt	\$5,528,714.50	\$5,404,714.50	\$5,117,714.50

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.00%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$2,020,138.03	\$2,020,138.03	
Local School District	---	---	
Sewer Utility	2,882,175.94	2,882,175.94	
General	5,628,500.00	99,785.50	\$5,528,714.50
	<u>\$10,530,813.97</u>	<u>\$5,002,099.47</u>	<u>\$5,528,714.50</u>

Net Debt \$5,528,714.50 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$551,926,330.00 equals 1.00%

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$19,317,421.55
Net Debt	<u>5,528,714.50</u>
Remaining Borrowing Power	<u>\$13,788,707.05</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$905,324.18
Deductions:	
Operating and Maintenance Cost	\$629,022.27
Debt Service per Sewer Fund	<u>190,278.74</u>
Total Deductions	<u>819,301.01</u>
Excess in Revenue	<u>\$86,023.17</u>

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

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

<u>Year</u>	<u>General</u>		<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2013	\$566,000.00	\$115,513.76	\$9,000.00	\$3,123.76	\$693,637.52
2014	566,000.00	92,567.50	9,000.00	2,707.50	670,275.00
2015	613,000.00	69,445.00	12,000.00	2,280.00	696,725.00
2016	613,000.00	43,865.00	12,000.00	1,710.00	670,575.00
2017	188,000.00	17,860.00	12,000.00	1,140.00	219,000.00
2018	188,000.00	8,930.00	12,000.00	570.00	209,500.00
	<u>\$2,734,000.00</u>	<u>\$348,181.26</u>	<u>\$66,000.00</u>	<u>\$11,531.26</u>	<u>\$3,159,712.52</u>

Note 13: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Long-Term Loans**

<u>Year</u>	<u>Sewer Utility</u>		<u>Grand Total</u>
	<u>Principal</u>	<u>Interest</u>	
2013	\$171,175.12	\$70,055.00	\$934,867.64
2014	184,852.93	65,930.00	921,057.93
2015	190,028.83	61,280.00	948,033.83
2016	187,117.40	56,580.00	914,272.40
2017	184,205.95	51,880.00	455,085.95
2018-22	845,148.15	184,760.00	1,239,408.15
2023-27	659,290.18	76,762.50	736,052.68
2028	131,357.38	4,000.00	135,357.38
	<u>\$2,553,175.94</u>	<u>\$571,247.50</u>	<u>\$6,284,135.96</u>

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

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

	<u>Balance Dec. 31, 2012</u>	<u>2013 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$125,000.00	\$29,000.00
Overexpenditure of Appropriation	15,000.00	15,000.00

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

Note 15: **CHANGE ORDERS**

During the year 2012, the Borough amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than 20 percent:

<u>Resolution No.</u>	<u>Project Description</u>
2012-96	Harry Williams Senior Building Roof Modifications

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent limitation. The Borough has complied with all provisions of N.J.A.C. 5:30-11.9.

Note 16: **JOINT INSURANCE POOL**

The Borough is a member of the Camden County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000 to \$200,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2012, which can be obtained from:

Camden County Municipal Joint Insurance Fund
Park 80 West, Plaza One
Saddle Brook, New Jersey 07663

Note 17: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012	\$27,305.38	\$26,417.59	\$4,909.15
2011	15,722.46	24,046.00	4,021.36
2010	3,008.50	29,171.45	12,344.90

Note 18: SUBSEQUENT EVENTS

Subsequent to December 31, the Borough of Runnemede authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:		
Bonds and Notes:		
Various Capital Improvements and the Acquisition of Capital Equipment	November 1, 2013	\$950,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2011	\$ 1,515,365.79	
Increased by Receipts:		
Taxes Receivable	\$ 17,965,441.97	
Tax Title Liens	-	
Tax Overpayments	7,890.59	
Prepaid Taxes	91,516.67	
Senior Citizens and Veterans Deductions	159,250.00	
Revenue Accounts Receivable	1,820,528.67	
Miscellaneous Revenues not Anticipated	89,112.73	
Due Federal and State Grant Fund	49,922.77	
Due Sewer Utility Operating Fund	203,636.92	
Refunds of Appropriation Reserves	52,471.76	
Federal and State Grant Fund:		
Federal and State Grant Receivable		\$ 270,567.61
	<u>20,439,772.08</u>	<u>\$ 270,567.61</u>
	21,955,137.87	270,567.61
Decreased by Disbursements:		
2012 Appropriations	6,232,350.81	
2011 Appropriation Reserves	192,710.71	
Refund of Tax Overpayments	2,349.50	
County Taxes	4,005,917.01	
Due County for Added Taxes	3,837.13	
Local District School Tax	6,609,359.99	
Regional High School Tax	2,905,779.59	
Due Trust Other Fund	34,865.69	
Due Community Development Block Grant Fund	66,243.55	
Due General Capital Fund	151,405.37	
Reserve for Reassessment Program	104,967.00	
Accounts Payable	7,553.07	
Federal and State Grant Fund:		
Federal and State Grants--Appropriated		210,734.74
Due Current Fund		49,922.77
	<u>20,317,339.42</u>	<u>260,657.51</u>
Balance Dec. 31, 2012	<u><u>\$ 1,637,798.45</u></u>	<u><u>\$ 9,910.10</u></u>

BOROUGH OF RUNNEMEDE
CURRENT FUND
Schedule of Change Funds
For the Year Ended December 31, 2012

<u>Office</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Tax Collector/Treasurer	\$ 300.00
Borough Clerk	50.00
Police Records Department	25.00
Municipal Court	<u>25.00</u>
	<u><u>\$ 400.00</u></u>

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

Year	Balance Dec. 31, 2011	2012 Levy	Added Taxes	<u>Collected</u>		Overpayments Applied	Due from State of New Jersey	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2012
				2011	2012					
2006	\$ 3.08									\$ 3.08
2007	547.92				\$ 547.92					
2008	4,659.41				4,659.41					
2009	4,447.23				4,445.66					1.57
2010	2,423.09				2,422.53					0.56
2011	343,219.60		\$ 16,000.00		350,038.03					9,181.57
	355,300.33		16,000.00		362,113.55					9,186.78
2012		\$ 18,400,634.33		\$ 146,824.92	17,603,328.42	\$ 21,123.24	\$ 164,870.91	\$ 10,662.89	\$ 6,013.69	447,810.26
	\$ 355,300.33	\$ 18,400,634.33	\$ 16,000.00	\$ 146,824.92	\$ 17,965,441.97	\$ 21,123.24	\$ 164,870.91	\$ 10,662.89	\$ 6,013.69	\$ 456,997.04

Analysis of 2012 Property Tax Levy

Tax Yield

General Purpose	\$ 18,390,727.10
Added Taxes (54:4-63.1 et seq.)	9,907.23
	<u>\$ 18,400,634.33</u>

Tax Levy

Regional High School Tax	\$ 2,905,779.58
Local District School Tax	6,526,898.00
County Taxes:	
County Tax	\$ 3,895,454.97
Open Space Tax	110,462.04
Added Taxes (54:4-63.1 et seq.)	<u>2,160.78</u>
Total County Taxes	4,008,077.79
Local Tax for Municipal Purposes	4,950,284.34
Add: Additional Tax Levied	<u>9,594.62</u>
Local Tax for Municipal Purposes Levied	<u>4,959,878.96</u>
	<u>\$ 18,400,634.33</u>

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

Balance Dec. 31, 2011		\$	43,634.25
Increased by:			
Transferred from Taxes Receivable	\$	6,013.69	
Interest and Costs on Tax Sale		<u>1,776.84</u>	
			<u>7,790.53</u>
			51,424.78
Decreased by:			
Collections			<u>-</u>
Balance Dec. 31, 2012		\$	<u><u>51,424.78</u></u>

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

	Balance <u>Dec. 31, 2011</u>	<u>Accrued</u>	<u>Realized</u>	Balance <u>Dec. 31, 2012</u>	
Miscellaneous Revenue:					
Licenses:					
Alcoholic Beverages		\$ 12,650.00	\$ 12,650.00		
Other		250.00	250.00		
Fees and Permits		59,883.90	59,883.90		
Fines and Costs:					
Municipal Court	\$ 10,567.54	128,398.77	116,401.24	\$ 22,565.07	Nov. & Dec. 2012
Interest and Costs on Taxes		98,263.03	98,263.03		
Consolidated Municipal Property Tax Relief Aid		72,125.00	72,125.00		
Energy Receipts Tax		815,054.00	815,054.00		
Interlocal Service Agreement - Triton High School		95,551.00	95,551.00		
Interlocal Service Agreement - NJ DMV - Police S/W		101,925.42	101,925.42		
Cable TV Franchise Fee		31,294.42	31,294.42		
NJ LEA Fees		52,989.35	52,989.35		
EMS Billings		220,000.00	220,000.00		
EMS Billings - Additional Billings		43,096.76	43,096.76		
Hotel Tax		42,802.14	42,802.14		
Recycling Revenue		19,842.41	19,842.41		
Rental Income - 2011 Contract		9,450.00	9,450.00		
Rental Income - 2012 Contract		21,850.00	21,850.00		
Payment in Lieu of Taxes		7,100.00	7,100.00		
	<u>\$ 10,567.54</u>	<u>\$ 1,832,526.20</u>	<u>\$ 1,820,528.67</u>	<u>\$ 22,565.07</u>	

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Reserved			
<u>OPERATIONS - WITHIN "CAPS"</u>					
<u>General Government</u>					
General Administration					
Salaries and Wages		\$ 215.01	\$ 215.01		\$ 215.01
Other Expenses	\$ 1,338.11	6,256.98	3,095.09	\$ 276.21	2,818.88
Mayor and Council					
Salaries and Wages		370.30	370.30		370.30
Other Expenses		284.00	284.00		284.00
Municipal Clerk					
Salaries and Wages		91.80	91.80		91.80
Other Expenses	39.27	273.37	312.64	139.27	173.37
Financial Administration					
Salaries and Wages		558.10	558.10		558.10
Other Expenses	946.95	4,002.77	4,949.72	3,015.90	1,933.82
Audit Services					
Collection of Taxes					
Salaries and Wages		20,000.00			
Other Expenses		2,419.75	2,419.75		2,419.75
Assessment of Taxes					
Salaries and Wages		151.72	151.72		151.72
Other Expenses	75.00	288.70	363.70		363.70
Legal Services and Costs					
Other Expenses		8,394.50	8,394.50	3,398.06	4,996.44
Engineering Services					
Other Expenses	5,051.00	11.50	9,062.50	7,180.00	1,882.50
Municipal Court					
Salaries and Wages		287.88	787.88		787.88
Other Expenses	955.34	584.53	2,039.87	1,222.85	817.02
Public Defender					
Salaries and Wages		4,590.00	4,590.00		4,590.00
<u>Land Use Administration</u>					
Planning Board					
Salaries and Wages		208.26	208.26		208.26
Other Expenses		3,011.03	4,511.03		4,511.03
<u>Public Safety Functions</u>					
Emergency Medical Services					
Salaries and Wages		10.87	10.87		10.87
Other Expenses	599.31	1,403.60	2,002.91	1,756.44	246.47
Police					
Salaries and Wages		17,226.14	17,226.14		17,226.14
Other Expenses	939.60	1,700.37	2,639.97	2,436.60	203.37
Fire					
Salaries and Wages		4.08	4.08		4.08
Fire Hydrant Service	3,323.62		6,423.62	6,345.99	77.63
Miscellaneous Other Expenses	400.00	3.11	403.11	306.50	96.61
Municipal Prosecutor					
Salaries and Wages		83.20	83.20		83.20
<u>Public Works Functions</u>					
Streets and Roads Maintenance					
Salaries and Wages		2,045.72	45.72		45.72
Other Expenses	5,556.51	2,698.46	15,754.97	9,128.69	6,626.28
Vehicle Maintenance					
Other Expenses	2,611.46	897.33	3,508.79	2,971.03	537.76
Solid Waste Collection					
Other Expenses-Contractual	21,000.00	2,457.00	43,457.00	41,343.48	2,113.52
Building and Grounds					
Other Expenses	1,427.24	2,885.08	4,312.32	3,962.39	349.93

(Continued)

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Transfer	Paid or Charged	Balanced Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<u>Health and Human Services</u>					
Board of Health					
Other Expenses	\$ 96.00	\$ 316.50	\$ 412.50	\$ 96.00	\$ 316.50
<u>Park and Recreation Functions</u>					
Recreation					
Salaries and Wages		474.00	474.00		474.00
Other Expenses	8,526.66	1,663.26	10,189.92	8,500.00	1,689.92
<u>Code Enforcement</u>					
Code Enforcement					
Salaries and Wages		8.16	8.16		8.16
Other Expenses		69.83	69.83		69.83
<u>Insurance</u>					
Liability Insurance		4.87	4.87		4.87
Workers Compensation Insurance		973.87	973.87		973.87
Employee Group Insurance		1,350.32	(5,249.68)	(52,471.76)	47,222.08
Unemployment Insurance		2,121.44	2,121.44	724.64	1,396.80
<u>Other Common Operating Functions</u>					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	1,050.00	5,877.67	1,927.67	250.00	1,677.67
Electricity	12,369.05	2,044.22	14,413.27	11,301.61	3,111.66
Street Lighting	577.42		1,577.42		1,577.42
Natural Gas	1,390.77		1,390.77		1,390.77
Telephone	6,615.02	84.53	6,699.55	5,389.40	1,310.15
Water	178.95	6.91	185.86	110.52	75.34
Gasoline	23,621.20		23,621.20	21,170.97	2,450.23
Sewer Treatment	540.00	391.72	931.72	157.50	774.22
Landfill/Solid Waste Disposal Costs	47,460.19	19,077.93	66,538.12	57,078.30	9,459.82
<u>Deferred Charges and Statutory Expenditures</u>					
Social Security System		69.06	69.06		69.06
Disability		171.01	171.01		171.01
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Landfill Fees - Recycling Tax		9,000.00	9,000.00	2,835.77	6,164.23
Maintenance of Free Public Library	6,448.76	1,086.95	7,535.71	7,535.71	
	<u>\$ 153,137.43</u>	<u>\$ 128,207.41</u>	<u>\$ 281,344.84</u>	<u>\$ 146,162.07</u>	<u>\$ 135,182.77</u>
Disbursements				\$ 192,710.71	
Accounts Payable				5,923.12	
Refunds				(52,471.76)	
				<u>\$ 146,162.07</u>	

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 153,137.43
Increased by:	
Charged to 2012 Appropriations	<u>252,642.70</u>
	405,780.13
Decreased by:	
Transferred to 2011 Appropriation Reserves	<u>153,137.43</u>
Balance Dec. 31, 2012	<u><u>\$ 252,642.70</u></u>

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Deferred Charges N.J.S. 40A:4-53 Special Emergency
For the Year Ended December 31, 2012

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	1/5 of <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
10/2/2012	Reassessment Program	\$ 120,000.00	\$ 24,000.00		\$ 120,000.00		\$ 120,000.00
2/5/2008	Codification of Ordinances	25,000.00	5,000.00	\$ 10,000.00		\$ 5,000.00	5,000.00
				<u>\$ 10,000.00</u>	<u>\$ 120,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 125,000.00</u>
			Budget Appropriation			<u>\$ 5,000.00</u>	

BOROUGH OF RUNNEMEDE

CURRENT FUND

Statement of Due to State of New Jersey Senior Citizens' and Veterans' Deductions CH. 73, P.L. 1976

For the Year Ended December 31, 2012

Balance Dec. 31, 2011		\$	89,904.38	
Increased by:				
Collection			<u>159,250.00</u>	
				249,154.38
Decreased by:				
Accrued in 2012:				
Senior Citizens' Deductions per Billings	\$	59,750.00		
Veterans' Deductions per Billings		<u>105,000.00</u>		
			164,750.00	
Add:				
Veterans' and Senior Citizens' Deductions				
Allowed by Tax Collector -- 2012 Taxes			<u>1,750.00</u>	
			166,500.00	
Deduct:				
Veterans' and Senior Citizens' Deductions				
Disallowed by Tax Collector -- 2012 Taxes			<u>1,629.09</u>	
			164,870.91	
Sub-Total -- 2012 Taxes			<u>164,870.91</u>	
Deduct: Deductions Disallowed by				
Tax Collector-- 2011 Taxes			<u>16,000.00</u>	
				<u>148,870.91</u>
Balance Dec. 31, 2012		\$	<u><u>100,283.47</u></u>	

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2012

Balance Dec. 31, 2011 (2012 Taxes)	\$ 146,824.92
Increased by:	
Collections -- 2013 Taxes	<u>91,516.67</u>
	238,341.59
Decreased by:	
Application to Taxes Receivable	<u>146,824.92</u>
Balance Dec. 31, 2012 (2013 Taxes)	<u><u>\$ 91,516.67</u></u>

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2012

Balance Dec. 31, 2011		\$	33,008.10
Increased by:			
Overpayments Collected in 2012			<u>7,890.59</u>
			40,898.69
Decreased by:			
Refund	\$	2,349.50	
Applied		<u>21,123.24</u>	
			<u>23,472.74</u>
Balance Dec. 31, 2012		\$	<u><u>17,425.95</u></u>

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

2012 Tax Levy:		
County Tax	\$ 3,895,454.97	
Open Space Tax	<u>110,462.04</u>	
		\$ 4,005,917.01
Decreased by:		
Disbursements		<u><u>\$ 4,005,917.01</u></u>

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

Balance Dec. 31, 2011	\$ 3,837.13
Increased by:	
County Share of 2012 Tax Levy:	
Added Taxes (2012)	<u>2,160.78</u>
	5,997.91
Decreased by:	
Disbursements	<u>3,837.13</u>
Balance Dec. 31, 2012	
Added Taxes (2012)	<u><u>\$ 2,160.78</u></u>

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2012

Balance Dec. 31, 2011 (Payable)	\$ 82,460.50
Increased by:	
Levy -- Calendar Year	<u>6,526,898.00</u>
	6,609,358.50
Decreased by:	
Payments	<u>6,609,359.99</u>
Balance Dec. 31, 2012 (Prepaid)	<u><u>\$ 1.49</u></u>

Exhibit SA-15

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Prepaid Regional High School Tax
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 29.97
Increased by:	
Payments	<u>2,905,779.59</u>
	2,905,809.56
Decreased by:	
Levy -- Calendar Year	<u>2,905,779.58</u>
Balance Dec. 31, 2012	<u><u>\$ 29.98</u></u>

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 23,321.37
Increased by:	
Transfer from FY 2011 Appropriation Reserves	<u>5,923.12</u>
	29,244.49
Decreased by:	
Disbursements	<u>7,553.07</u>
Balance Dec. 31, 2012	<u><u>\$ 21,691.42</u></u>

Exhibit SA-17

BOROUGH OF RUNNEMEDE
CURRENT FUND
Statement of Reserve for Reassessment Program
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ -
Increased by:	
Special Emergency Authorization	<u>120,000.00</u>
	120,000.00
Decreased by:	
Disbursements	<u>104,967.00</u>
Balance Dec. 31, 2012	<u><u>\$ 15,033.00</u></u>

BOROUGH OF RUNNEMEDE
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance Dec. 31, 2011</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants:				
Pass Through State - New Jersey Transportation Trust Fund:				
Singley, Hirsch, & Third Avenues	\$ 0.01			\$ 0.01
East 11th Ave	7,415.31			7,415.31
Constitution Avenue	14,591.15			14,591.15
Black Horse Pike Revitalization - Transportation Enhancement	203,259.47		\$ 65,515.23	137,744.24
Read Avenue		\$ 161,808.75	161,808.75	
Total Federal Grants	<u>225,265.94</u>	<u>161,808.75</u>	<u>227,323.98</u>	<u>159,750.71</u>
State Grants:				
Bulletproof Vest Partnership Grant	2,942.15			2,942.15
Municipal Alliance Grant	18,809.38	12,375.00	7,633.92	23,550.46
Recycling Tonnage Grant		9,057.18	9,057.18	
Police Domestic Violence Program Grant	3,900.00			3,900.00
Safe and Secure Communities Program	78,031.50	39,200.00		117,231.50
Buckle-up South Jersey	308.04			308.04
Body Armor Grant	236.86	1,988.62	1,988.62	236.86
Sustainable Jersey Small Grant		2,000.00	2,000.00	
Assistance to Firefighters Grant	20,702.00		9,025.00	11,677.00
Alcohol Education Rehabilitation Program		377.74	377.74	
Edward Byrne Memorial Justice Assistance Grant	890.45			890.45
Recreation Facility Enhancement Grant	25,000.00			25,000.00
Clean Communities Grant	575.64	13,161.71	13,161.17	576.18
Total State Grants	<u>151,396.02</u>	<u>78,160.25</u>	<u>43,243.63</u>	<u>186,312.64</u>
Total Grants	<u>\$ 376,661.96</u>	<u>\$ 239,969.00</u>	<u>\$ 270,567.61</u>	<u>\$ 346,063.35</u>

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

<u>Program</u>	<u>Balance Dec. 31, 2011</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2012 Budget</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants:				
Pass Through State:				
New Jersey Transportation Trust Fund:				
Read Avenue		\$ 161,808.75		\$ 161,808.75
Total Federal Grants		161,808.75		161,808.75
State Grants:				
Municipal Alliance Grant	\$ 575.64	12,375.00	\$ 12,375.00	575.64
Recycling Tonnage Grant	9,598.89	9,057.18	9,057.18	9,598.89
Body Armor Grant	10,725.94	1,988.62	2,118.94	10,595.62
Buckle-up South Jersey	236.86			236.86
Drunk Driving Enforcement Grant	4,247.50			4,247.50
Safe and Secure Communities Grant		39,200.00	39,200.00	
Sustainable Jersey Small Grant		2,000.00	2,000.00	
Alcohol Education Rehabilitation Fund		377.74	377.74	
Clean Communities Grant		13,161.71	13,161.71	
Total State Grants	25,384.83	78,160.25	78,290.57	25,254.51
Total All Grants	\$ 25,384.83	\$ 239,969.00	\$ 78,290.57	\$ 187,063.26

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

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2011</u>		<u>Transferred</u> <u>from 2012</u> <u>Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				<u>Dec. 31, 2012</u>
Federal Grants:						
Pass Through State:						
New Jersey Transportation Trust Fund:						
Blackhorse Pike Revitalization - Transportation Enhancement		\$ 21,358.40				\$ 21,358.40
Constitution Avenue		29,803.17				29,803.17
East 11th Ave		21,263.31				21,263.31
Total Federal Grants		72,424.88				72,424.88
State Grants:						
Safe and Secure Communities Program		4,027.25	\$ 143,900.00	\$ 147,927.25		
Drunk Driving Enforcement Grant		636.03		500.00		136.03
Clean Communities Grant	\$ 2,009.86	6,420.39	13,161.71	11,188.71	\$ 1,347.12	9,056.13
Statewide Livable Communities Grant		572.74				572.74
Alcohol Education and Rehabilitation Fund		937.85	377.74			1,315.59
Body Armor Grant	2,524.49		2,118.94	2,524.49		2,118.94
Bulletproof Vest Partnership Grant	2,857.51	1,225.03		2,857.51		1,225.03
Municipal Alliance Grant	2,586.44	23,865.16	15,469.00	8,194.02	2,325.77	31,400.81
Municipal Stormwater Regulation Program Grant		1,236.46				1,236.46
Police Domestic Violence Program Grant		3,280.16				3,280.16
Special Purpose Grant		6,193.70				6,193.70
Buckle-up South Jersey		2,000.00				2,000.00
Operations Planning Grant		6.48				6.48
Solid Waste Recycling	1,617.93	1,729.09	9,057.18	10,502.76	91.19	1,810.25
Assistance to Firefighters' Grant		20,235.40		9,500.00		10,735.40
Safe Schools and Communities Program		15,000.00				15,000.00
Sustainable Jersey Small Grant			2,000.00			2,000.00
County Road Improvement - Evesham Road Sidewalks	17,540.00	3,559.50		17,540.00		3,559.50
Edward Byrne Memorial Justice Assistance Grant		890.45				890.45
Recreation Facility Enhancement Grant		183.56				183.56
Total State Grants	29,136.23	91,999.25	186,084.57	210,734.74	3,764.08	92,721.23
Total Grants	\$ 29,136.23	\$ 164,424.13	\$ 186,084.57	\$ 210,734.74	\$ 3,764.08	\$ 165,146.11

BOROUGH OF RUNNEMEDE
FEDERAL AND STATE GRANT FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2012

Balance Dec. 31, 2011		\$ 157,716.77
Decreased by:		
Matching Share of Grants	\$ 107,794.00	
Interfund Liquidated	<u>49,922.77</u>	
		<u>157,716.77</u>
Balance Dec. 31, 2012		<u><u>\$ -</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF RUNNEMEDE
TRUST FUND
Statement of Cash -- Treasurer
For the Year Ended December 31, 2012

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Fund</u>
Balance Dec. 31, 2011	\$ 14,679.39	\$ 25,186.55	\$ 500,415.85
Increased by Receipts:			
Animal Control Fees	\$ 19,077.80		
Registration Fees Due State	1,113.60		
Due Current Fund:			
Miscellaneous Trust Funds			\$ 34,865.69
Community Development Block Grant Fund		\$ 66,243.55	
Community Development Block Grant Receivable		87,378.52	
Miscellaneous Liabilities and Reserves			4,966,161.16
	<u>20,191.40</u>	<u>153,622.07</u>	<u>5,001,026.85</u>
	34,870.79		5,501,442.70
Decreased by Disbursements:			
Expenditures Under R.S.4:19:15.11	14,968.09		
Registration Fees--Due State of New Jersey	1,098.60		
Community Development Block Grant Fund		74,403.11	
Due General Capital Fund		71,059.56	
Miscellaneous Liabilities and Reserves			4,995,674.25
	<u>16,066.69</u>	<u>145,462.67</u>	<u>4,995,674.25</u>
Balance Dec. 31, 2012	<u>\$ 18,804.10</u>	<u>\$ 33,345.95</u>	<u>\$ 505,768.45</u>

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

Balance Dec. 31, 2011		\$ 14,174.90
Increased by:		
Dog License Fees Collected	\$ 16,660.80	
Cat License Fees Collected	<u>2,417.00</u>	
		<u>19,077.80</u>
		33,252.70
Decreased by:		
Expenditures Under R.S.4:19-15.11 - Cash Disbursements		<u>14,968.09</u>
Balance Dec. 31, 2012		<u><u>\$ 18,284.61</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2010	\$ 19,319.20
2011	<u>19,166.60</u>
	<u><u>\$ 38,485.80</u></u>

BOROUGH OF RUNNEMEDE
ANIMAL CONTROL TRUST FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 504.49
Increased by:	
Receipts	<u> </u>
Balance Dec. 31, 2012	<u><u>\$ 504.49</u></u>

Exhibit SB-4

BOROUGH OF RUNNEMEDE
ANIMAL CONTROL TRUST FUND
Statement of Due to State of New Jersey
For the Year Ended December 31, 2012

Increased by:	
State Registration Fees Collected	\$ 1,113.60
Decreased by:	
Payments	<u>1,098.60</u>
Balance Dec. 31, 2012	<u><u>\$ 15.00</u></u>

BOROUGH OF RUNNEMEDE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Statement of Community Development Block Grant Receivable
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 42,978.52
Increased by:	
Year 33 & 34 Entitlement Grants	<u>82,600.00</u>
	125,578.52
Decreased by:	
Receipts	<u>87,378.52</u>
Balance Dec. 31, 2012	<u><u>\$ 38,200.00</u></u>
<u>Analysis of Balance Dec. 31, 2012</u>	
Year 34 - Resurfacing 2nd & 3rd Avenues	<u><u>\$ 38,200.00</u></u>

Exhibit SB-6

BOROUGH OF RUNNEMEDE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Statement of Due to/from General Capital Fund
For the Year Ended December 31, 2012

Balance Dec. 31, 2011 (Due to)	\$ 41,473.55
Decreased by:	
Disbursements	<u>71,059.56</u>
Balance Dec. 31, 2012 (Due from)	<u><u>\$ 29,586.01</u></u>

BOROUGH OF RUNNEMEDE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Statement of Reserve for Community Development Block Grant
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 19,503.11
Increased by:	
Year 33 & 34 Entitlement Grants	<u>82,600.00</u>
	102,103.11
Decreased by:	
Disbursements	<u>74,403.11</u>
Balance Dec. 31, 2012	<u><u>\$ 27,700.00</u></u>
<u>Analysis of Balance Dec. 31, 2012</u>	
Year 34 - Resurfacing 2nd & 3rd Avenues	<u><u>\$ 27,700.00</u></u>

BOROUGH OF RUNNEMEDE
TRUST FUND -- OTHER
Statement of Changes in Miscellaneous Trust Other Reserves
For the Year Ended December 31, 2012

		<u>Increased by</u>	<u>Decreased by</u>	
	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Liabilities:				
Due State of New Jersey:				
Marriage License Fees	\$ 400.00			\$ 400.00
DCA Training Fees		\$ 3,887.00	\$ 3,887.00	
Street Opening Deposits	21,187.32			21,187.32
Due Runnemede Sewerage Authority	8,192.76			8,192.76
Deposits - Due to Contractor	2,200.00			2,200.00
Reserve For:				
Uniform Construction Code	18,874.11	100,743.25	89,366.21	30,251.15
New Jersey Unemployment Compensation	4,021.36	27,305.38	26,417.59	4,909.15
Planning Board Escrow	122,761.46	42,565.25	49,041.00	116,285.71
Tax Title Lien Redemption	205,209.74	741,748.04	800,238.22	146,719.56
Parking Offenses Adjudication Act - POAA	773.00	72.00		845.00
Special Law Enforcement Fund	2,125.55	4,535.17	2,325.00	4,335.72
Funds Held in Escrow	2,767.33	1,155.64	1,858.00	2,064.97
Recreation Facility Escrow	900.00			900.00
Forfeited Property	3,547.40			3,547.40
Public Defender Fees	4,981.67	1,749.50		6,731.17
Payroll Deductions Payable	43,447.92	3,970,117.68	3,940,362.49	73,203.11
Uniform Fire Safety	3,202.29	1,519.00	3,276.65	1,444.64
Municipal Alliance Contributions	5,879.45		2,292.68	3,586.77
Outside Employment of Municipal Police	(13,217.06)	59,208.25	71,549.50	(25,558.31)
Public Events	4,064.27	11,555.00	5,059.91	10,559.36
	<u>\$ 441,318.57</u>	<u>\$ 4,966,161.16</u>	<u>\$ 4,995,674.25</u>	<u>\$ 411,805.48</u>
Reserve funds and Liabilities	\$ 454,535.63			\$ 437,363.79
POET Receivable from Contractors	<u>(13,217.06)</u>			<u>(25,558.31)</u>
	<u>\$ 441,318.57</u>			<u>\$ 411,805.48</u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF RUNNEMEDE
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2012

Balance Dec. 31, 2011		\$ 43,751.73
Increased by Receipts:		
Due Current Fund	\$ 151,405.37	
Capital Improvement Fund	35,000.00	
Bond Anticipation Notes	950,000.00	
Due CDBG Trust Fund	71,059.56	
Due Sewer Utility Capital Fund	15,894.80	
		<u>1,223,359.73</u>
		1,267,111.46
Decreased by Disbursements:		
Improvement Authorizations		<u>1,265,126.65</u>
Balance Dec. 31, 2012		<u><u>\$ 1,984.81</u></u>

BOROUGH OF RUNNEMEDE
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2012

		<u>Receipts</u>		<u>Disbursements</u>		
		Balance (Deficit) Dec. 31, 2011	Miscellaneous	Bond Anticipation Notes	Improvement Authorizations	Balance (Deficit) Dec. 31, 2012
					Transfers From To	
Fund Balance		\$ 19.98				\$ 19.98
Capital Improvement Fund		57,450.00	\$ 35,000.00		\$ 35,000.00	57,450.00
New Jersey Transportation Trust Fund - Ord.97-15		(85,280.00)				(85,280.00)
Reserve for Encumbrances		395,393.75			395,393.75	355,927.69
Due from CDBG Fund		(41,473.55)	71,059.56			29,586.01
Due Current Fund		(291,454.91)	151,405.37			(140,049.54)
Due Sewer Utility Operating Fund		46,527.00				46,527.00
Due Sewer Utility Capital Fund		(75,000.00)	15,894.80			(59,105.20)
Ordinance						
<u>Number</u>	<u>Improvement Authorizations:</u>					
04-08	Various Capital Improvements	26,247.12				21,247.12
04-16	Various Capital Improvements	4,910.37				4,910.37
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	81,122.71				81,122.71
09-16	Improvements to Buildings and Grounds	2,928.75				2,928.75
09-16	Time Clocks	50.64				50.64
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	165,412.78				127,480.00
10-15	Various Capital Improvements for Beaver Branch Park	(218,752.91)			313,533.83 35,944.04	(493,488.26)
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	(24,350.00)		\$ 950,000.00	912,038.78	17,657.54
12-9	Various Capital Improvements at Beaver Branch Park					7,500.00
12-14	Various Capital Improvements and the Acquisition of Capital Equipment					7,500.00
						27,500.00
		<u>\$ 43,751.73</u>	<u>\$ 273,359.73</u>	<u>\$ 950,000.00</u>	<u>\$ 1,265,126.65</u>	<u>\$ 1,984.81</u>

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

Balance Dec. 31, 2011	\$ 3,275,000.00
Decreased by:	
Budget Appropriation to Pay Serial Bonds	<u>541,000.00</u>
Balance Dec. 31, 2012	<u><u>\$ 2,734,000.00</u></u>

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

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2011	Increased by		Balance Dec. 31, 2012	Analysis of Balance Dec. 31, 2012		
				2012 Authorizations			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	07/01/2008	\$ 500.00			\$ 500.00			\$ 500.00
09-24	Acquisition of an Emergency Response/ Rescue Vehicle	12/01/2009	114,000.00			114,000.00	\$ 114,000.00		
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/07/2010	665,000.00			665,000.00	665,000.00		
10-15	Various Capital Improvements for Beaver Branch Park	12/07/2010	500,000.00			500,000.00		\$ 493,488.26	6,511.74
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	12/6/2011	950,000.00			950,000.00	950,000.00		
12-9	Various Capital Improvements at Beaver Branch Park	10/2/2012		\$ 142,500.00		142,500.00			142,500.00
12-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/4/2012		522,500.00		522,500.00			522,500.00
			<u>\$ 2,229,500.00</u>	<u>\$ 665,000.00</u>		<u>\$ 2,894,500.00</u>	<u>\$ 1,729,000.00</u>	<u>\$ 493,488.26</u>	<u>\$ 672,011.74</u>
						Improvement Authorizations - Unfunded			\$ 817,149.28
						Less: Unexpended Proceeds of BAN Issued:			
						Ord. 10-14	\$ 127,480.00		
						Ord. 11-9	17,657.54		
									<u>145,137.54</u>
									<u>\$ 672,011.74</u>

BOROUGH OF RUNNEMEDE**GENERAL CAPITAL FUND**

Schedule of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act
For the Year Ended December 31, 2012

<u>Analysis of Balance</u>	Balance <u>Dec. 31, 2012</u>
Ord. 95-3;96-13 - Reconstruction of Hirsch Avenue (Reserved Balance)	\$ 99,785.50
Ord. 97-15 - Reconstruction of Central Avenue (Unreserved Balance)	<u>85,280.00</u>
	<u>\$ 185,065.50</u>

BOROUGH OF RUNNEMEDE
GENERAL CAPITAL FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 291,454.91
Decreased by:	
Receipts	<u>151,405.37</u>
Balance Dec. 31, 2012	<u><u>\$ 140,049.54</u></u>

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

Balance Dec. 31, 2011	\$ 57,450.00
Increased by:	
2012 Budget Appropriation	<u>35,000.00</u>
	92,450.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>35,000.00</u>
Balance Dec. 31, 2012	<u><u>\$ 57,450.00</u></u>

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

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2011		2012 Authorizations		Transfer from Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2012	
			Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation Unfunded			Funded	Unfunded
04-08	Various Capital Improvements	06/01/2004	\$ 26,247.12					\$ 5,000.00	\$ 21,247.12	
04-16	Various Capital Improvements	12/07/2004	4,910.37						4,910.37	
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	07/01/2008	81,122.71	\$ 500.00					81,122.71	\$ 500.00
09-16	Improvements to Municipal Buildings and Grounds	07/07/2009	2,928.75						2,928.75	
09-16	Time Clocks	07/07/2009	50.64						50.64	
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/07/2010		165,412.78			\$ 297,697.10	335,629.88		127,480.00
10-15	Various Capital Improvements for Beaver Branch Park	12/07/2010		281,247.09			23,346.65	298,082.00		6,511.74
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	12/9/2011		925,650.00			74,350.00	982,342.46		17,657.54
12-9	Various Capital Improvements at Beaver Branch Park	10/2/2012			\$ 7,500.00	\$ 142,500.00			7,500.00	142,500.00
12-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/4/2012			27,500.00	522,500.00			27,500.00	522,500.00
			<u>\$ 115,259.59</u>	<u>\$ 1,372,809.87</u>	<u>\$ 35,000.00</u>	<u>\$ 665,000.00</u>	<u>\$ 395,393.75</u>	<u>\$ 1,621,054.34</u>	<u>\$ 145,259.59</u>	<u>\$ 817,149.28</u>
	Disbursed							\$ 1,265,126.65		
	Encumbered							355,927.69		
								<u>\$ 1,621,054.34</u>		

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Notes</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2012</u>
09-24	Acquisition of an Emergency Response/Rescue Vehicle	02/10/11	02/10/11 02/08/12	02/09/12 02/07/13	1.75% 1.15%	\$ 114,000.00		\$ 114,000.00	
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	02/10/11	02/10/11 02/08/12	02/09/12 02/07/13	1.75% 1.15%	665,000.00		665,000.00	
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	02/08/12	02/08/12	02/07/13	1.15%		950,000.00		
						<u>\$ 779,000.00</u>	<u>\$ 1,729,000.00</u>	<u>\$ 779,000.00</u>	<u>\$ 1,729,000.00</u>
							\$ 779,000.00	\$ 779,000.00	
							950,000.00		
							<u>\$ 1,729,000.00</u>	<u>\$ 779,000.00</u>	

Renewals
Issued for Cash

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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Amount</u>	Maturity of Bonds Outstanding <u>Dec. 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
General Bonds of 1998	11-15-1998	\$ 2,900,000.00	11/15/13-15 11/15/16	\$ 200,000.00 200,000.00	4.500% 4.600%	\$ 1,000,000.00	\$ 200,000.00	\$ 800,000.00
General Bonds of 2004	09-23-2004	1,725,000.00	10/01/13-14 10/01/15 10/01/16	225,000.00 225,000.00 225,000.00	3.300% 3.400% 3.500%	1,100,000.00	200,000.00	900,000.00
General Bonds of 2008	07-24-2008	1,503,000.00	08/01/13 08/01/14 08/01/15-18	141,000.00 141,000.00 188,000.00	4.625% 4.750% 4.750%	<u>1,175,000.00</u>	<u>141,000.00</u>	<u>1,034,000.00</u>
						<u>\$ 3,275,000.00</u>	<u>\$ 541,000.00</u>	<u>\$ 2,734,000.00</u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	Increased by	Decreased by	Balance Dec. 31, 2012
			2012 Authorizations	Notes Issued	
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	\$ 500.00			\$ 500.00
10-15	Various Capital Improvements for Beaver Branch Park	500,000.00			500,000.00
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	950,000.00		\$ 950,000.00	
12-9	Various Capital Improvements at Beaver Branch Park		\$ 142,500.00		142,500.00
12-14	Various Capital Improvements and the Acquisition of Capital Equipment		522,500.00		522,500.00
		<u>\$ 1,450,500.00</u>	<u>\$ 665,000.00</u>	<u>\$ 950,000.00</u>	<u>\$ 1,165,500.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

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

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2011	\$ 30,620.22	\$ 1,543.82
Increased by Receipts:		
Rents Receivable	\$ 777,993.71	
Miscellaneous Revenue	17,330.47	
NJEIT Loan Receivable		\$ 405,450.00
Due Sewer Utility Capital Fund	<u>297,540.69</u>	
	<u>1,092,864.87</u>	<u>405,450.00</u>
	1,123,485.09	406,993.82
Decreased by Disbursements:		
2012 Budget Appropriations	687,302.95	
Appropriation Reserves	17,582.45	
Accrued Interest on Bonds and Loans	52,578.76	
Due Current Fund	203,636.92	
Due Sewer Utility Operating Fund		297,540.69
Due General Capital Fund		15,894.80
Improvement Authorizations		<u>74,105.20</u>
	<u>961,101.08</u>	<u>387,540.69</u>
Balance Dec. 31, 2012	<u><u>\$ 162,384.01</u></u>	<u><u>\$ 19,453.13</u></u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Analysis of Sewer Capital Cash
For the Year Ended December 31, 2012

	Balance (Deficit) <u>Dec. 31, 2011</u>	<u>Receipts</u> <u>Miscellaneous</u>	<u>Disbursements</u> <u>Improvement Authorizations</u> <u>Miscellaneous</u>	<u>Transfers</u> <u>From</u> <u>To</u>	Balance (Deficit) <u>Dec. 31, 2012</u>
Capital Improvement Fund	\$ 5,000.00				\$ 5,000.00
Due Sewer Utility Operating Fund	297,541.43				0.74
Due from NJEIT Loan Receivable	(871,106.00)	\$ 405,450.00		\$ 297,540.69	(465,656.00)
Due from General Capital Fund	75,000.00		15,894.80		59,105.20
Improvement Authorizations:					
Ordinance Number					
08-07 Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	495,108.39				495,108.39
12-10 Acquisition of Sewer Utility Equipment			\$ 74,105.20		(74,105.20)
	<u>\$ 1,543.82</u>	<u>\$ 405,450.00</u>	<u>\$ 74,105.20</u>	<u>\$ -</u>	<u>\$ 19,453.13</u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
Statement of Sewer Rents Receivable
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 73,314.86
Increased by:	
Sewer Rents Levied	<u>778,752.49</u>
	852,067.35
Decreased by:	
Collections	<u>777,993.71</u>
Balance Dec. 31, 2012	<u><u>\$ 74,073.64</u></u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	<u>Balance Dec. 31, 2011</u>		<u>Balance</u>	<u>Paid or</u>	<u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Charged</u>	<u>to Fund</u>
			<u>Transfers</u>		<u>Balance</u>
Operations:					
Salaries and Wages		\$ 16,098.30	\$ 16,098.30		\$ 16,098.30
Other Expenses	\$ 24,401.90	29,826.26	54,228.16	\$ 24,925.92	29,302.24
Statutory Expenditures:					
Disability		315.61	315.61		315.61
Unemployment Compensation Insurance		616.64	616.64		616.64
Social Security System		4,156.11	4,156.11		4,156.11
	<u>\$ 24,401.90</u>	<u>\$ 51,012.92</u>	<u>\$ 75,414.82</u>	<u>\$ 24,925.92</u>	<u>\$ 50,488.90</u>
			Disbursed	\$ 17,582.45	
			Accounts Payable	7,343.47	
				<u>\$ 24,925.92</u>	

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital
For the Year Ended December 31, 2012

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Costs Associated with Sanitary Sewer System	\$ <u><u>3,730,058.49</u></u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Loans
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 32,919.97
Increased by:	
Charged to Budget Appropriation - Interest on Bonds	<u>50,759.77</u>
	83,679.74
Decreased by:	
Disbursed	<u>52,578.76</u>
Balance Dec. 31, 2012	<u><u>\$ 31,100.98</u></u>

Analysis of Accrued Interest Dec. 31, 2012

<u>Principal Outstanding Dec. 31, 2012</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
NJEIT Infrastructure Loans:					
\$ 215,000.00	various	08/01/12	12/31/12	153 days	\$ 5,085.13
235,000.00	various	08/01/12	12/31/12	153 days	4,585.75
920,000.00	various	08/01/12	12/31/12	153 days	20,102.50
Serial Bonds					
66,000.00	various	08/01/12	12/31/12	153 days	<u>1,327.60</u>
					<u><u>\$ 31,100.98</u></u>

Balance Dec. 31, 2011			\$	2,983,363.58
Increased by:				
NJEIT Loan Canceled		\$	35,000.00	
Paid by Sewer Utility Operating Fund:				
Loans Payable	\$	130,518.97		
Serial Bonds		9,000.00		
			139,518.97	
				174,518.97
Balance Dec. 31, 2012			\$	3,157,882.55

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of Loans Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Payment Schedule</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>					
N.J. Environmental Infrastructure Trust Loan	\$ 445,000.00	11/04/1999	08/01/13	\$ 25,000.00	5.50%				
			08/01/14-17	30,000.00	5.50%				
			08/01/18-19	35,000.00	5.70%	\$ 240,000.00	\$ 25,000.00		\$ 215,000.00
N.J. Environmental Infrastructure Fund Loan	443,403.00	11/04/1999	(1)	(1)	Nil	181,131.00	22,876.69		158,254.31
N.J. Environmental Infrastructure Trust Loan	350,000.00	11/05/03	08/01/13	15,000.00	5.00%				
			08/01/14	20,000.00	5.00%				
			08/01/15-16	20,000.00	4.00%				
			08/01/17	20,000.00	4.20%				
			08/01/18	20,000.00	4.25%				
			08/01/19	20,000.00	5.00%				
			08/01/20	25,000.00	5.00%				
			08/01/21	25,000.00	4.50%				
			08/01/22-23	25,000.00	4.75%	250,000.00	15,000.00		235,000.00
N.J. Environmental Infrastructure Fund Loan	333,703.00	11/05/03	(1)	(1)	Nil	202,877.00	16,254.53		186,622.47
N.J. Environmental Infrastructure Trust Loan	1,025,000.00	11/06/08	08/01/13-14	40,000.00	5.00%				
			08/01/15-17	45,000.00	5.00%				
			08/01/18	50,000.00	5.00%				
			08/01/19	55,000.00	5.25%				
			08/01/20-21	55,000.00	5.50%				
			08/01/22	60,000.00	5.50%				
			08/01/23	65,000.00	5.50%				
			08/01/24	65,000.00	5.00%				
			08/01/25-26	75,000.00	5.00%				
			08/01/27-28	80,000.00	5.00%	955,000.00		\$ 35,000.00	920,000.00
N.J. Environmental Infrastructure Fund Loan	1,022,000.00	11/06/08	(1)	(1)	Nil	889,686.91	51,387.75		838,299.16
						<u>\$ 2,718,694.91</u>	<u>\$ 130,518.97</u>	<u>\$ 35,000.00</u>	<u>\$ 2,553,175.94</u>

(1) Semiannual Principal Payments due February 1 and August 1.

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of Serial Bond Payable
For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds, Series 2008	07/24/08	\$ 95,000.00	08/01/13	\$ 9,000.00	4.625%			
			08/01/14	9,000.00	4.750%			
			08/01/15-18	12,000.00	4.750%	\$ 75,000.00	\$ 9,000.00	\$ 66,000.00
						<u>\$ 75,000.00</u>	<u>\$ 9,000.00</u>	<u>\$ 66,000.00</u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2011</u>		<u>2012 Authorization Deferred Charges to Future Revenue</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2012</u>	
				<u>Funded</u>	<u>Unfunded</u>			<u>Funded</u>	<u>Unfunded</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	05/06/08	\$ 2,200,000.00	\$ 495,108.39	\$ 153,000.00			\$ 495,108.39	\$ 153,000.00
12-10	Acquisition of Sewer Utility Equipment	10/2/12	75,000.00			\$ 75,000.00	\$ 74,105.20		894.80
				<u>\$ 495,108.39</u>	<u>\$ 153,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 74,105.20</u>	<u>\$ 495,108.39</u>	<u>\$ 153,894.80</u>
	Disbursed						\$ 74,105.20		
	Encumbered						-		
							<u>\$ 74,105.20</u>		

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of Due To Sewer Utility Operating Fund
For the Year Ended December 31, 2012

Balance Dec. 31, 2011	\$ 297,541.43
Decreased by:	
Disbursements	<u>297,540.69</u>
Balance Dec. 31, 2012	<u><u>\$ 0.74</u></u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of NJEIT Loan Receivable
For the Year Ended December 31, 2012

Balance Dec. 31, 2011		\$	871,106.00
Decreased by:			
Receipts - State	\$	202,725.00	
Receipts - Federal		<u>202,725.00</u>	
			<u>405,450.00</u>
Balance Dec. 31, 2012		\$	<u><u>465,656.00</u></u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2011</u>	<u>Charges to Future Revenue</u>	<u>Balance December 31, 2012</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	05/06/08	\$ 2,200,000.00	\$ 2,200,000.00		\$ 2,200,000.00
12-10	Acquisition of Sewer Utility Equipment	10/02/2012	75,000.00		\$ 75,000.00	75,000.00
				<u>\$ 2,200,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 2,275,000.00</u>

BOROUGH OF RUNNEMEDE
SEWER UTILITY CAPITAL FUND
Schedule of Sewer Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>2012 Authorizations</u>	<u>Balance December 31, 2012</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	\$ 153,000.00		\$ 153,000.00
12-10	Acquisition of Sewer Utility Equipment		\$ 75,000.00	75,000.00
		<u>\$ 153,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 228,000.00</u>

BOROUGH OF RUNNEMEDE

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

BOROUGH OF RUNNEMEDE
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

Schedule of Financial Statement Findings

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

Finding No. 2012-1

Criteria or Specific Requirement

Pursuant to N.J.A.C. 5:30-5.7, a general ledger accounting system shall be maintained.

Condition

The Borough's bank accounts were not reconciled monthly and financial transactions were not recorded in the general ledger and supporting journals on a timely basis.

Context

A general ledger accounting system provides a summary of all financial transactions as they have been recorded in the books of original entry, using a double entry, self-balancing accounting system with the general ledger facilitating the preparation of financial statements. The general ledger, together with the books of original entry and supporting subsidiary ledgers constitutes the complete accounting system.

Effect

Non-compliance with N.J.A.C. 5:30-5.7. In addition, errors or irregularities could develop and go undetected on a timely basis.

Cause

Insufficient controls over the monthly preparation and reconciliation of the Borough's financial records.

Recommendation

That bank reconciliations be prepared monthly and all financial transactions be reconciled and recorded in the general ledger and supporting journals on a timely basis.

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.

BOROUGH OF RUNNEMEDE
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2012-2

Criteria or Specific Requirement

Maintaining subsidiary records to support balances recorded in the financial statements is an essential element of internal control.

Condition

A subsidiary analysis of payroll deductions payable was not maintained to support the balance recorded in the financial statements.

Context

A general ledger accounting system provides a summary of all financial transactions as they have been recorded in the books of original entry, using a double entry, self-balancing accounting system with the general ledger facilitating the preparation of financial statements. The general ledger, together with the books of original entry and supporting subsidiary ledgers constitutes the complete accounting system.

Effect

Insufficient internal controls over payroll deductions payable.

Cause

Incomplete records.

Recommendation

That a detailed analysis of payroll deductions be maintained to support the balance recorded in the financial statements.

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

BOROUGH OF RUNNEMEDE
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2012-3

Criteria or Specific Requirement

Pursuant to regulations issued the by New Jersey Division of Local Government Services, entities requesting the services of municipal police officers are required to submit payment in advance of the services rendered.

Condition

Payments were made to police officers for outside employment prior to sufficient funds being collected from the entities requesting services.

Context

A receivable in the amount of \$25,558.31 exists in the Borough's dedicated trust fund for the outside employment of municipal police officers as a result of payments being made prior to the collection of funds from entities requesting services.

Effect

Non-compliance with regulations set forth by the Division of Local Government Services.

Cause

Insufficient controls over the managing and accounting for the outside employment of municipal police officers.

Recommendation

That the Borough complies with regulations set forth by the Division of Local Government Services regarding the managing and accounting for the outside employment of municipal police officers.

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

BOROUGH OF RUNNEMEDE
Summary Schedule of Prior Year Audit Findings
as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2011-1

Condition

The Borough's bank accounts were not reconciled monthly and financial transactions were not recorded in the general ledger and supporting journals on a timely basis.

Current Status

Condition remains unresolved, see current year finding 2012-1.

Planned Corrective Action

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

Finding No. 2011-2

Condition

A current fund appropriation was over-expended by \$15,000.00 at year end.

Current Status

Condition resolved.

Finding No. 2011-3

Condition

A subsidiary analysis of payroll deductions payable was not maintained to support the balance recorded in the financial statements.

Current Status

Condition remains unresolved, see current year finding 2012-2.

Planned Corrective Action

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

Finding No. 2011-4

Condition

Payments were made to police officers for outside employment prior to sufficient funds being collected from the entities requesting services.

Current Status

Condition remains unresolved, see current year finding 2012-3.

Planned Corrective Action

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

BOROUGH OF RUNNEMEDE
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>
Bertha Kalvaitis	Mayor	(A)
Anthony M. Beatrice	President of Council	(A)
Nick Kappatos	Member of Council	(A)
Michael Kisielewski	Member of Council	(A)
Patricia Tartaglia Passio	Member of Council	(A)
Ed White	Member of Council	(A)
Frank Williams	Member of Council	(A)
Richard E. Wright, Jr.	Treasurer, Chief Financial Officer, Business Administrator	(A)
Joyce Pinto	Tax Collector, Borough Clerk, Officer for Searches for Municipal Improvements, Registrar of Vital Statistics	(A)
Nicholas Trabosh, Esq.	Judge of the Municipal Court	(A)
Theresa Barry	Municipal Court Administrator	(A)
Mark Diano	Chief of Police	(A)
Christopher Mecca	Construction Code Official	(A)
John S. Kennedy, Esq.	Solicitor	
Bach Associates, PC	Engineer	

(A) These officials were covered by the Camden County Joint Insurance Fund for \$50,000.00. Amounts in excess of \$50,000.00 are covered under the Municipal Excess Liability Joint Insurance Fund to \$950,000.00 less the amount of individual bond coverage where applicable.

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough 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 "Michael D. Cesaro", with a long, sweeping horizontal line extending to the right.

Michael D. Cesaro
Certified Public Accountant
Registered Municipal Accountant

