

**BOROUGH OF RUNNEMEDE**

**COUNTY OF CAMDEN**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2011**



**BOROUGH OF RUNNEMEDE**  
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**BOROUGH OF RUNNEMEDE**

**PART 1**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

## **INDEPENDENT AUDITOR'S REPORT**

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

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, 2011 and 2010, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Borough's management. Our responsibility is to express opinions on these financial statements based on our audits.

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

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

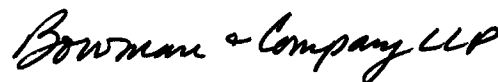
In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with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

Furthermore, in our opinion, the financial statements referred to 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, 2011 and 2010, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2012 on our consideration of the Borough of Runnemede, in the County of Camden, State of New Jersey's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
November 30, 2012

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

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

We have audited the financial statements (regulatory basis) of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated November 30, 2012, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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: 2011-1.



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 deficiencies described in the accompanying Schedule of Findings and Recommendations to be significant deficiencies: 2011-2 and 2011-3.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough of Runnemede's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and 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 finding no.: 2011-4.

The Borough of Runnemede's response to the findings identified in our report is described in the accompanying Schedule of Findings and Recommendations. We did not audit the Borough of Runnemede's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, members of the governing body, others within the Borough, the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
November 30, 2012

**BOROUGH OF RUNNEMEDE****CURRENT FUND**

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

As of December 31, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Cash	SA-1	\$ 1,515,365.79	\$ 1,078,087.72
Cash--Change Funds	SA-2	400.00	400.00
		<u>1,515,765.79</u>	<u>1,078,487.72</u>
Receivable with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	355,300.33	370,155.94
Tax Title Liens Receivable	SA-4	43,634.25	41,859.60
Property Acquired for Taxes--Assessed Valuation		23,817.50	23,817.50
Revenue Accounts Receivable	SA-5	10,567.54	10,240.46
Due from Municipal Court		247.35	247.35
Prepaid Local School Taxes	SA-14		2.02
Prepaid Regional High School Taxes	SA-15	29.97	29.97
Due from Federal and State Grant Fund	SA-21	157,716.77	
Due from Animal Control Fund	SB-3	504.49	20.41
Due from Trust Other Fund	SB-1	67,166.20	7,883.37
Due from Community Development Block Grant Fund	SB-1	7,188.41	118.82
Due from General Capital Fund	SC-6		108,543.77
Due from Sewer Utility Operating Fund	SD-1		26,538.42
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>734,188.15</u>	<u>657,472.97</u>
Deferred Charges:			
Special Emergency Appropriation	SA-8	10,000.00	15,000.00
Emergency Appropriation	A-3	100,000.00	
Overexpenditure of Current Year Budget Appropriation	A-3	15,000.00	
		<u>125,000.00</u>	<u>15,000.00</u>
		<u>2,374,953.94</u>	<u>1,750,960.69</u>
Federal and State Grant Fund:			
Due Current Fund	SA-21		4,592.80
Federal and State Grant Receivable	SA-18	376,661.96	629,644.42
		<u>376,661.96</u>	<u>634,237.22</u>
		<u>\$ 2,751,615.90</u>	<u>\$ 2,385,197.91</u>

(Continued)

**BOROUGH OF RUNNEMEDE****CURRENT FUND**

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

As of December 31, 2011 and 2010

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-6	\$ 128,207.41	\$ 306,115.17
Reserve for Encumbrances	SA-7	153,137.43	123,651.19
Unallocated Receipts		883.75	883.75
Due to State of New Jersey (Ch. 73, P.L. 1976)	SA-9	89,904.38	90,404.37
Prepaid Taxes	SA-10	146,824.92	115,380.52
Tax Overpayments	SA-11	33,008.10	18,541.55
Local School Taxes Payable	SA-14	82,460.50	
Accounts Payable	SA-16	23,321.37	4,096.41
Contracts Payable		24,279.08	24,279.08
Due County for Added and Omitted Taxes	SA-13	3,837.13	6,607.42
Reserve for Codification of Ordinances	SA-17	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	291,454.91	
Due from Sewer Utility Operating Fund	SD-1	31,425.68	
Due Federal and State Grant Fund	SA-21		4,592.80
		<u>1,017,521.12</u>	<u>703,328.72</u>
Reserve for Receivables and Other Assets	A	734,188.15	657,472.97
Fund Balance	A-1	<u>623,244.67</u>	<u>390,159.00</u>
		<u>2,374,953.94</u>	<u>1,750,960.69</u>
Federal and State Grant Fund:			
Due Current Fund	SA-21	157,716.77	
Reserve for Encumbrances	SA-20	29,136.23	244,520.19
Federal and State Grants Unappropriated	SA-19	25,384.83	20,589.37
Federal and State Grants Appropriated	SA-20	<u>164,424.13</u>	<u>369,127.66</u>
		<u>376,661.96</u>	<u>634,237.22</u>
		<u>\$ 2,751,615.90</u>	<u>\$ 2,385,197.91</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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 200,000.00	\$ 700,000.00
Miscellaneous Revenue Anticipated	1,899,369.74	2,024,630.92
Receipts from Delinquent Taxes	373,708.29	332,737.60
Receipts from Current Taxes	17,618,414.15	16,867,655.12
Non-Budget Revenue	64,993.23	113,382.57
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	236,391.20	248,841.14
Reserves Liquidated:		
Prepaid School Taxes	2.02	0.50
Due from Federal and State Grant Fund		19,459.03
Due from General Capital Fund	108,543.77	
Due from Sewer Utility Operating Fund	26,538.42	
Total Income	<u>20,527,960.82</u>	<u>20,306,706.88</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS"		
Salaries and Wages	2,438,664.36	2,668,812.92
Other Expenses	2,298,228.64	2,245,941.03
Deferred Charges and Statutory Expenditures--		
Municipal--Within "CAPS"	754,213.00	417,124.15
Operations--Excluded from "CAPS"		
Salaries and Wages	312,352.72	325,409.32
Other Expenses	238,261.86	773,326.32
Capital Improvements--Excluded from "CAPS"	50,000.00	35,000.00
Municipal Debt Service--Excluded from "CAPS"	827,803.75	783,333.37
Emergency Authorizations - Excluded from "CAPS"	5,000.00	5,000.00
County Taxes	3,886,511.40	3,617,431.23
Due County for Added and Omitted Taxes	3,837.13	6,607.42
Local District School Tax	6,354,844.00	6,126,662.00
Regional High School Tax	2,802,355.02	2,816,233.19
Senior Citizens' Deductions Disallowed by Collector - Prior Year	13,250.00	
Reserves Created:		
Due from Federal and State Grant Fund	157,716.77	
Due from Animal Control Fund	484.08	19.65
Due from Trust Other Fund	59,282.83	6,344.53
Due from Community Development Block Grant Fund	7,069.59	105.73
Due from General Capital Fund		108,483.37
Due from Sewer Utility Operating Fund		10,158.76
Total Expenditures	<u>20,209,875.15</u>	<u>19,945,992.99</u>
Excess in Revenue	318,085.67	360,713.89
Adjustment to income Before Fund Balance:		
Expenditures Included Above which are by Statute Deferred		
Charged to Budget of Succeeding Year	<u>115,000.00</u>	
	433,085.67	360,713.89
<u>Fund Balance</u>		
Balance Jan. 1	<u>390,159.00</u>	<u>729,445.11</u>
	823,244.67	1,090,159.00
Decreased by:		
Utilized as Revenue	<u>200,000.00</u>	<u>700,000.00</u>
Balance Dec. 31	<u>\$ 623,244.67</u>	<u>\$ 390,159.00</u>

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

**BOROUGH OF RUNNEMEDA**  
**CURRENT FUND**  
Statement of Revenues--Regulatory Basis  
For the Year Ended December 31, 2011

	<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	\$ 200,000.00		\$ 200,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	15,150.00		15,150.00	
Other	6,350.00		4,766.52	\$ (1,583.48)
Fees and Permits	56,083.23		62,013.78	5,930.55
Fines and Costs:				
Municipal Court	155,000.00		127,387.00	(27,613.00)
Interest and Costs on Taxes	90,000.00		103,771.23	13,771.23
Interest on Investments and Deposits	1,500.00		170.29	(1,329.71)
Consolidated Municipal Property Tax Relief Aid	103,017.00		103,017.00	
Energy Receipts Tax	784,162.00		784,162.00	
Interlocal Service Agreement - Triton High School	88,000.00		143,326.50	55,326.50
Interlocal Service Agreement - NJ DMV - Police S/W	78,400.00		70,561.66	(7,838.34)
Municipal Alliance on Alcoholism and Drug Abuse	12,375.00		12,375.00	
Safe and Secure Communities Program	35,615.00		35,615.00	
Clean Communities Grant	13,382.88		13,382.88	
Alcohol Education Rehabilitation Fund	647.22		647.22	
Recycling Tonnage Grant	6,922.37		6,922.37	
Cable TV Franchise Fee	29,000.00		30,493.63	1,493.63
NJ LEA Fees	40,000.00		47,638.90	7,638.90
EMS Billings	225,000.00		224,423.90	(576.10)
Hotel Tax	73,500.00		66,353.10	(7,146.90)
Payment in Lieu of Taxes	7,000.00		7,775.00	775.00
Recycling Revenue	10,000.00		27,866.76	17,866.76
Rental Income	21,600.00		11,550.00	(10,050.00)
	<u>1,852,704.70</u>		<u>1,899,369.74</u>	<u>46,665.04</u>
Receipts from Delinquent Taxes	<u>300,000.00</u>		<u>373,708.29</u>	<u>73,708.29</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	4,715,853.46		4,814,354.62	98,501.16
Minimum Library Tax	193,487.61		193,487.61	
	<u>4,909,341.07</u>		<u>5,007,842.23</u>	<u>98,501.16</u>
Budget Totals	<u>7,262,045.77</u>		<u>7,480,920.26</u>	<u>218,874.49</u>
Non-Budget Revenues			64,993.23	64,993.23
	<u>\$ 7,262,045.77</u>	<u>\$ -</u>	<u>\$ 7,545,913.49</u>	<u>\$ 283,867.72</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Revenues--Regulatory Basis  
For the Year Ended December 31, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 17,618,414.15
Allocated to:	
School and County Taxes	<u>13,047,547.55</u>
Balance for Support of Municipal Budget Appropriations	4,570,866.60
Add: Appropriation "Reserve for Uncollected Taxes"	<u>436,975.63</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 5,007,842.23</u></u>

Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 371,325.21
Tax Title Lien Collections	<u>2,383.08</u>
	<u><u>\$ 373,708.29</u></u>

Analysis of Non-Budget Revenues

Summer Recreation Fees	\$ 3,115.00
Tax Sale Premium Forfeiture	2,750.00
Payroll Administration Fee	1,465.00
Insurance Dividend	32,822.66
Insurance Reimbursements	3,429.00
Administrative Fee - Senior Citizens and Veterans Deductions	3,225.00
Miscellaneous	18,086.57
Motor Vehicle Inspection Fees	<u>100.00</u>
	<u><u>\$ 64,993.23</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, 2011

	Appropriations		Expended			Unexpended	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled	Overexpended
<u>OPERATIONS - WITHIN "CAPS"</u>							
<u>General Government</u>							
General Administration							
Salaries and Wages	\$ 93,607.00	\$ 93,607.00	\$ 93,391.99		\$ 215.01		
Other Expenses	44,200.00	49,545.64	41,950.55	\$ 1,338.11	6,256.98		
Mayor and Council							
Salaries and Wages	41,600.00	40,600.00	40,229.70		370.30		
Other Expenses	2,700.00	1,500.00	1,216.00		284.00		
Municipal Clerk							
Salaries and Wages	55,500.00	55,100.00	55,008.20		91.80		
Other Expenses	11,750.00	11,750.00	11,437.36	39.27	273.37		
Financial Administration							
Salaries and Wages	46,434.00	62,434.00	61,875.90		558.10		
Other Expenses	19,750.00	24,750.00	19,800.28	946.95	4,002.77		
Audit Services	50,000.00	50,000.00	50,000.00				
Collection of Taxes			-				
Salaries and Wages	61,046.00	52,792.06	32,792.06		20,000.00		
Other Expenses	9,700.00	9,700.00	7,280.25		2,419.75		
Assessment of Taxes							
Salaries and Wages	10,213.00	10,213.00	10,061.28		151.72		
Other Expenses	3,000.00	3,000.00	2,636.30	75.00	288.70		
Legal Services and Costs							
Other Expenses (NJS 40A:4-48 +\$15,000.00)	85,000.00	100,000.00	91,605.50		8,394.50		
Engineering Services							
Other Expenses	20,000.00	18,500.00	13,437.50	5,051.00	11.50		
Municipal Court							
Salaries and Wages	102,000.00	77,000.00	76,712.12		287.88		
Other Expenses	11,413.00	8,413.00	6,873.13	955.34	584.53		
Public Defender							
Salaries and Wages	4,590.00	4,590.00	-		4,590.00		
<u>Land Use Administration</u>							
Planning Board							
Salaries and Wages	1,200.00	2,200.00	1,991.74		208.26		
Other Expenses	5,420.00	5,420.00	2,408.97		3,011.03		
<u>Public Safety Functions</u>							
Emergency Medical Services							
Salaries and Wages (NJS 40A:4-48 +\$25,000.00)	202,220.00	239,620.00	239,609.13		10.87		
Other Expenses	26,000.00	26,000.00	23,997.09	599.31	1,403.60		
Police							
Salaries and Wages (NJS 40A:4-48 +\$40,000.00)	1,297,628.00	1,337,628.00	1,320,401.86		17,226.14		
Other Expenses	61,200.00	61,200.00	58,560.03	939.60	1,700.37		

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2011

	Appropriations		Expended			Unexpended Balance	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Cancelled	Overexpended
<u>OPERATIONS - WITHIN "CAPS" (Cont'd)</u>							
<u>Public Safety Functions (Cont'd)</u>							
Fire							
Aid to Volunteer Fire Company	\$ 33,550.00	\$ 33,550.00	\$ 33,550.00				
Salaries and Wages	80,700.00	87,700.00	87,695.92		\$ 4.08		
Fire Hydrant Service	73,000.00	73,000.00	69,676.38	\$ 3,323.62			
Miscellaneous Other Expenses	31,000.00	31,000.00	30,596.89	400.00	3.11		
Municipal Prosecutor							
Salaries and Wages	13,000.00	13,000.00	12,916.80		83.20		
<u>Public Works Functions</u>							
Streets and Roads Maintenance							
Salaries and Wages	155,890.00	215,890.00	213,844.28		2,045.72		
Other Expenses	32,200.00	42,200.00	33,945.03	5,556.51	2,698.46		
Vehicle Maintenance							
Other Expenses	60,000.00	67,000.00	63,491.21	2,611.46	897.33		
Solid Waste Collection							
Salaries and Wages	166,630.00	117,087.30	117,087.30				
Other Expenses-Contractual	222,000.00	212,000.00	188,543.00	21,000.00	2,457.00		
Building and Grounds							
Other Expenses	25,000.00	35,000.00	30,687.68	1,427.24	2,885.08		
<u>Health and Human Services</u>							
Board of Health							
Salaries and Wages	4,000.00	3,251.00	3,251.00				
Other Expenses	1,100.00	1,100.00	687.50	96.00	316.50		
<u>Park and Recreation Functions</u>							
Recreation							
Salaries and Wages	7,500.00	6,000.00	5,526.00		474.00		
Other Expenses	13,500.00	13,500.00	3,310.08	8,526.66	1,663.26		
<u>Code Enforcement</u>							
Code Enforcement							
Salaries and Wages	17,952.00	19,952.00	19,943.84		8.16		
Other Expenses	500.00	600.00	530.17		69.83		
<u>Insurance</u>							
Liability Insurance	100,000.00	62,750.00	62,745.13		4.87		
Workers Compensation Insurance	100,000.00	110,000.00	109,026.13		973.87		
Employee Group Insurance	650,000.00	677,250.00	675,899.68		1,350.32		
Unemployment Insurance	30,000.00	10,000.00	7,878.56		2,121.44		

(Continued)



**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2011

	Appropriations		Expended			Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		Overexpended
<u>OPERATIONS - WITHIN "CAPS" (Cont'd)</u>							
<u>Other Common Operating Functions</u>							
Celebration of Public Events, Anniversary or Holiday							
Other Expenses	\$ 20,000.00	\$ 20,000.00	\$ 13,072.33	\$ 1,050.00	\$ 5,877.67		
Electricity	50,000.00	50,000.00	35,586.73	12,369.05	2,044.22		
Street Lighting	93,000.00	93,000.00	92,422.58	577.42			
Natural Gas	27,000.00	27,000.00	25,609.23	1,390.77			
Telephone	35,000.00	36,000.00	29,300.45	6,615.02	84.53		
Water	1,500.00	1,500.00	1,314.14	178.95	6.91		
Gasoline (NJS 40A:4-48 +\$20,000.00)	60,000.00	80,000.00	71,378.80	23,621.20			\$ 15,000.00
Sewer Treatment	2,000.00	2,000.00	1,068.28	540.00	391.72		
Landfill/Solid Waste Disposal Costs	250,000.00	235,000.00	168,461.88	47,460.19	19,077.93		
Total Operations within "CAPS"	4,622,193.00	4,721,893.00	4,472,323.94	146,688.67	117,880.39		15,000.00
Salaries and Wages	2,361,710.00	2,438,664.36	2,392,339.12		46,325.24		
Other Expenses (Including Contingent)	2,260,483.00	2,283,228.64	2,079,984.82	146,688.67	71,555.15		15,000.00
<u>Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</u>							
<u>Statutory Expenditures:</u>							
Contribution to:							
Public Employees' Retirement System	142,268.00	142,268.00	142,268.00				
Social Security System	125,000.00	125,300.00	125,230.94		69.06		
Police and Firemen's Retirement System of N.J.	480,395.00	480,395.00	480,395.00				
Disability	6,250.00	6,250.00	6,078.99		171.01		
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	753,913.00	754,213.00	753,972.93		240.07		
Total General Appropriations for Municipal Purposes within "CAPS"	5,376,106.00	5,476,106.00	5,226,296.87	146,688.67	118,120.46		15,000.00
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>							
Landfill Fees - Recycling Tax	9,000.00	9,000.00			9,000.00		
Maintenance of Free Public Library	193,487.61	193,487.61	185,951.90	6,448.76	1,086.95		
Total Other Operations - Excluded from "CAPS"	202,487.61	202,487.61	185,951.90	6,448.76	10,086.95		

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2011

	Appropriations		Expended			Unexpended Balance	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Cancelled	Overexpended
<u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u>							
Interlocal Municipal Service Agreements:							
Triton High School - Police S/W	\$ 88,000.00	\$ 88,000.00	\$ 88,000.00				
NJ DMV - Police S/W	78,400.00	78,400.00	78,400.00				
Total Interlocal Municipal Service Agreements	166,400.00	166,400.00	166,400.00				
<u>Public and Private Programs Offset by Revenues</u>							
Safe and Secure Communities Program	145,305.50	145,305.50	145,305.50				
Municipal Alliance on Alcoholism and Drug Abuse	15,469.00	15,469.00	15,469.00				
Recycling Tonnage Grant	6,922.37	6,922.37	6,922.37				
Clean Communities Grant	13,382.88	13,382.88	13,382.88				
Alcohol Education and Rehabilitation Fund	647.22	647.22	647.22				
Total Public and Private Programs Offset by Revenues	181,726.97	181,726.97	181,726.97				
Total Operations - Excluded from "CAPS"	550,614.58	550,614.58	534,078.87	\$ 6,448.76	\$ 10,086.95		
Detail:							
Salaries and Wages	319,275.09	312,352.72	312,352.72				
Other Expenses	231,339.49	238,261.86	221,726.15	6,448.76	10,086.95		
<u>Capital Improvements - Excluded from "CAPS"</u>							
Capital Improvement Fund	50,000.00	50,000.00	50,000.00				
Total Capital Improvements Excluded from "CAPS"	50,000.00	50,000.00	50,000.00				

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2011

	Appropriations		Expended			Unexpended Balance Cancelled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<u>Municipal Debt Service - Excluded from "CAPS"</u>							
Payment of Bond Principal	\$ 663,000.00	\$ 663,000.00	\$ 663,000.00				
Interest on Bonds	164,803.76	164,803.76	164,803.75			\$ 0.01	
Green Trust Loan Program:							
Loan Repayments for Principal and Interest	15,545.80	15,545.80				15,545.80	
Total Municipal Debt Service - Excluded from "CAPS"	843,349.56	843,349.56	827,803.75			15,545.81	
<u>Deferred Charges - Municipal Excluded from "CAPS"</u>							
Emergency Authorizations - Codification of Ordinances	5,000.00	5,000.00	5,000.00				
Total Deferred Charges - Municipal Excluded from "CAPS"	5,000.00	5,000.00	5,000.00				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,448,964.14	1,448,964.14	1,416,882.62	\$ 6,448.76	\$ 10,086.95	15,545.81	
Subtotal General Appropriations	6,825,070.14	6,925,070.14	6,643,179.49	153,137.43	128,207.41	15,545.81	\$ 15,000.00
Reserve for Uncollected Taxes	436,975.63	436,975.63	436,975.63				
Total General Appropriations	<u>\$ 7,262,045.77</u>	<u>\$ 7,362,045.77</u>	<u>\$ 7,080,155.12</u>	<u>\$ 153,137.43</u>	<u>\$ 128,207.41</u>	<u>\$ 15,545.81</u>	<u>\$ 15,000.00</u>
Original Budget		\$ 7,262,045.77					
Emergency Appropriation		100,000.00					
		<u>\$ 7,362,045.77</u>					
Reserve for Uncollected Taxes			\$ 436,975.63				
Reserve for Federal and State Grants -- Appropriated			181,726.97				
Disbursements			6,456,452.52				
Special Emergency Appropriation (NJS 40A: 4-53)			5,000.00				
			<u>\$ 7,080,155.12</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, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Animal Control Fund:			
Cash	SB-1	\$ 14,679.39	\$ 6,459.96
Other Funds:			
Cash	SB-1	500,415.85	412,295.83
Due from Sewer Utility Operating Fund	SB-1	8,068.92	
Accounts Receivable -- Police Outside Employment:			
Due from Contractors	SB-7	13,217.06	
		<u>521,701.83</u>	<u>412,295.83</u>
Community Development Block Grant Fund:			
Cash	SB-1	25,186.55	2,840.06
Community Development Block Grant Receivable	SB-5	42,978.52	78,948.48
		<u>68,165.07</u>	<u>81,788.54</u>
		<u>\$ 604,546.29</u>	<u>\$ 500,544.33</u>
 <u>LIABILITIES</u> <u>AND RESERVES</u>			
Animal Control Fund:			
Due to Current Fund	SB-3	\$ 504.49	\$ 20.41
Reserve for Animal Control Expenditures	SB-2	14,174.90	6,439.55
		<u>14,679.39</u>	<u>6,459.96</u>
Other Funds:			
Due State of NJ - Marriage License Fees	SB-7	400.00	400.00
Due State of NJ - DCA Training Fees	SB-7		624.00
Street Opening Deposits	SB-7	21,187.32	21,187.32
Due Runnemede Sewerage Authority	SB-7	8,192.76	8,192.76
Deposits - Due to Contractor	SB-7	2,200.00	2,200.00
Miscellaneous Trust Liabilities and Reserves:			
Uniform Construction Code	SB-7	18,874.11	13,857.74
New Jersey Unemployment Compensation	SB-7	4,021.36	12,344.90
Planning Board Escrow	SB-7	122,761.46	118,991.41
Tax Title Lien Redemption	SB-7	205,209.74	163,957.74
Parking Offenses Adjudication Act - POAA	SB-7	773.00	671.00
Special Law Enforcement Fund	SB-7	2,125.55	866.57
Funds Held in Escrow	SB-7	2,767.33	6,514.87
Recreation Facility Escrow	SB-7	900.00	900.00
Forfeited Property	SB-7	3,547.40	3,547.40
Public Defender Fees	SB-7	4,981.67	7,582.77
Payroll Deductions Payable	SB-7	43,447.92	27,401.96
Uniform Fire Safety	SB-7	3,202.29	3,499.11
Municipal Alliance Contributions	SB-7	5,879.45	5,879.45
Outside Employment of Municipal Police	SB-7		3,309.99
Public Events	SB-7	4,064.27	2,483.47
Due to Current Fund	SB-1	67,166.20	7,883.37
		<u>521,701.83</u>	<u>412,295.83</u>
Community Development Block Grant Fund:			
Reserve for Community Development Block Grant	SB-6	19,503.11	40,196.17
Due to Current Fund	SB-1	7,188.41	118.82
Due to General Capital Fund	SB-1	41,473.55	41,473.55
		<u>68,165.07</u>	<u>81,788.54</u>
		<u>\$ 604,546.29</u>	<u>\$ 500,544.33</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, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	SC-1	\$ 43,751.73	\$ 9,547.43
Deferred Charges to Future Taxation:			
Funded	SC-3	3,275,000.00	3,938,000.00
Unfunded	SC-4	2,229,500.00	1,279,500.00
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	291,454.91	
Due from CDBG Fund		41,473.55	41,473.55
Due from Sewer Utility Capital Fund		75,000.00	75,000.00
		<u>\$ 6,441,245.69</u>	<u>\$ 5,828,586.48</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-10	\$ 3,275,000.00	\$ 3,938,000.00
Bond Anticipation Notes	SC-9	779,000.00	
Improvement Authorizations:			
Funded	SC-8	115,259.59	199,025.82
Unfunded	SC-8	1,372,809.87	983,763.91
Reserves for Encumbrances	SC-8	395,393.75	55,470.50
Due to Current Fund	SC-6		108,543.77
Due to Sewer Utility Operating Fund	SD-1	46,527.00	86,527.00
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>\$ 6,441,245.69</u>	<u>\$ 5,828,586.48</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, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS:</b>			
Operating Fund:			
Cash	SD-1	\$ 30,620.22	\$ 17,662.61
Due to/from Current Fund	SD-1	31,425.68	
Due General Capital Fund	SD-1	46,527.00	86,527.00
Due Sewer Utility Capital Fund	SD-11	297,541.43	297,540.69
Receivables with Full Reserves			
Due from Bank		165.73	165.73
Sewer Rents Receivable	SD-3	73,314.86	86,941.55
		<u>479,594.92</u>	<u>488,837.58</u>
Capital Fund:			
Cash	SD-1	1,543.82	1,543.08
Fixed Capital	SD-5	3,730,058.49	3,730,058.49
Fixed Capital Authorized and Uncomplete		2,200,000.00	2,200,000.00
NJEIT Loan Receivable	SD-12	871,106.00	871,106.00
		<u>6,802,708.31</u>	<u>6,802,707.57</u>
		<u>\$ 7,282,303.23</u>	<u>\$ 7,291,545.15</u>
<b>LIABILITIES, RESERVES</b>			
<b>AND FUND BALANCE:</b>			
Operating Fund:			
Liabilities			
Reserves for Encumbrances	D-3, SD-4	\$ 24,401.90	\$ 30,516.96
Appropriation Reserves	D-3	51,012.92	53,113.51
Accounts Payable		8,587.83	8,587.83
Accrued Interest on Bonds and Notes	SD-6	32,919.97	34,719.85
Due to Trust Other Fund	SD-1	8,068.92	
Due to/from Current Fund	SD-1		26,538.42
Escrow Deposits		2,661.20	2,661.20
		<u>127,652.74</u>	<u>156,137.77</u>
Reserve for Receivables:		73,480.59	87,107.28
Fund Balance	D-1	278,461.59	245,592.53
		<u>479,594.92</u>	<u>488,837.58</u>
Capital Fund:			
Improvement Authorizations			
Funded	SD-10	495,108.39	480,408.39
Unfunded	SD-10	153,000.00	153,000.00
Due Sewer Utility Operating Fund	SD-11	297,541.43	297,540.69
Due General Capital Fund		75,000.00	75,000.00
Loans Payable	SD-8	2,718,694.91	2,886,614.69
Serial Bonds	SD-9	75,000.00	83,000.00
Capital Improvement Fund		5,000.00	5,000.00
Reserves for Encumbrances	SD-10		14,700.00
Reserve for Amortization	SD-7	2,983,363.58	2,807,443.80
		<u>6,802,708.31</u>	<u>6,802,707.57</u>
		<u>\$ 7,282,303.23</u>	<u>\$ 7,291,545.15</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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Anticipated	\$ 90,000.00	\$ 85,000.00
Sewer Rents	786,898.62	778,904.35
Miscellaneous	28,022.40	31,811.73
Other Credits to Income:		
Unexpended Balance to Appropriation Reserves	<u>61,148.16</u>	<u>120,982.83</u>
Total Income	<u>966,069.18</u>	<u>1,016,698.91</u>
EXPENDITURES:		
Operating	565,286.46	557,458.00
Debt Service	255,813.66	251,539.86
Deferred Charges and Statutory Expenditures	22,100.00	26,000.00
Due from Bank	<u>165.73</u>	<u>165.73</u>
Total Expenditures	<u>843,200.12</u>	<u>835,163.59</u>
Excess in Revenues	122,869.06	181,535.32
FUND BALANCE:		
Balance January 1	<u>245,592.53</u>	<u>149,057.21</u>
	368,461.59	330,592.53
Decreased by:		
Utilized as Revenue	<u>90,000.00</u>	<u>85,000.00</u>
Balance December 31	<u><u>\$ 278,461.59</u></u>	<u><u>\$ 245,592.53</u></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, 2011

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	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 90,000.00	\$ 90,000.00	
Sewer Rents	740,000.00	786,898.62	\$ 46,898.62
Miscellaneous	<u>15,000.00</u>	<u>28,022.40</u>	<u>13,022.40</u>
	<u><u>\$ 845,000.00</u></u>	<u><u>\$ 904,921.02</u></u>	<u><u>\$ 59,921.02</u></u>

Analysis of Realized Revenues

Miscellaneous:

Receipts:

Connection Fees	\$ 2,800.00
Interest and Costs on Delinquent Rents	18,642.38
Interest on Deposits	202.23
Miscellaneous	<u>6,377.79</u>
	<u><u>\$ 28,022.40</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, 2011

	<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	\$ 262,277.00	\$ 262,277.00	\$ 246,178.70		\$ 16,098.30	
Other Expenses	303,009.46	303,009.46	248,781.30	\$ 24,401.90	29,826.26	
Total Operating	<u>565,286.46</u>	<u>565,286.46</u>	<u>494,960.00</u>	<u>24,401.90</u>	<u>45,924.56</u>	
Debt Service:						
Payment of Bond and Loan Principal	175,919.78	175,919.78	175,919.78			
Interest on Bonds and Loans	81,693.76	81,693.76	79,893.88			\$ 1,799.88
Total Debt Service	<u>257,613.54</u>	<u>257,613.54</u>	<u>255,813.66</u>			<u>1,799.88</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Disability	1,000.00	1,000.00	684.39		315.61	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. Seq.)	1,000.00	1,000.00	383.36		616.64	
Contributions to Social Security System (O.A.S.I.)	20,100.00	20,100.00	15,943.89		4,156.11	
Total Deferred Charges and Statutory Expenditures	<u>22,100.00</u>	<u>22,100.00</u>	<u>17,011.64</u>		<u>5,088.36</u>	
	<u>\$ 845,000.00</u>	<u>\$ 845,000.00</u>	<u>\$ 767,785.30</u>	<u>\$ 24,401.90</u>	<u>\$ 51,012.92</u>	<u>\$ 1,799.88</u>
Accrued Interest on Bonds			\$ 79,893.88			
Disbursed			687,891.42			
			<u>\$ 767,785.30</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, 2011

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	Balance <u>Dec. 31, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2011</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	2,159,237.82	\$ 56,710.00		2,215,947.82
Equipment	<u>327,016.46</u>			<u>327,016.46</u>
Total General Fixed Assets	<u>\$ 9,637,664.30</u>	<u>\$ 56,710.00</u>	<u>\$ -</u>	<u>\$ 9,694,374.30</u>
Total Investments in General Fixed Assets	<u>\$ 9,637,664.30</u>	<u>\$ 56,710.00</u>	<u>\$ -</u>	<u>\$ 9,694,374.30</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, 2011**

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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 units of the Borough of Runnemede are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the 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.

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**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.

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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.

**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.

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**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, 2011, the Borough had bank balances of \$3,205,107.62 with \$5,238.30 uninsured and uncollateralized.

Note 3: **PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$5.351</u>	<u>\$5.104</u>	<u>\$5.047</u>	<u>\$4.978</u>	<u>\$4.870</u>
Apportionment of Tax Rate:					
Municipal	\$1.462	\$1.379	\$1.347	\$1.248	\$1.109
County	1.159	1.073	1.054	1.041	1.046
Local School	1.895	1.817	1.808	1.823	1.839
Regional High School	0.835	0.835	0.838	0.866	0.876

**Assessed Valuation**

2011	\$335,524,235.00
2010	337,250,055.00
2009	337,139,624.00
2008	337,867,063.00
2007	336,731,321.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
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%
2007	16,468,155.23	16,153,663.08	98.09%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$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%
2007	69,854.19	305,508.49	375,362.68	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>
2011	7
2010	7
2009	7
2008	2
2007	4

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

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

<u>Year</u>	<u>Amount</u>
2011	\$23,817.50
2010	23,817.50
2009	23,817.50
2008	23,817.50
2007	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>
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
2007	43,217.00	---	712,844.12	756,061.12	712,320.37

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b><u>Current Fund</u></b>			
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%
2007	956,808.57	850,000.00	88.84%
<b><u>Sewer Utility Operating Fund</u></b>			
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%
2007	59,724.68	49,000.00	82.04%

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, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$232,575.87	\$322,880.59
Federal and State Grant Fund		157,716.77
Animal Control Fund		504.49
Trust-- Other Funds	8,068.92	67,166.20
Trust-- CDBG		48,661.96
General Capital Fund	407,928.46	46,527.00
Sewer Utility Operating Fund	375,494.11	8,068.92
Sewer Utility Capital Fund		372,541.43
	<u>\$1,024,067.36</u>	<u>\$1,024,067.36</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2012, the Borough expected 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 will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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>Total Liability</u>	<u>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
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
2009	58,325.00	53,199.00	99,194.00	\$49,597.00	---	61,927.00

**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>Total Liability</u>	<u>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
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
2009	229,821.00	148,674.00	378,495.00	\$181,773.00	---	196,722.00

**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: 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, 2011, 2010, and 2009, were \$157,308.00, \$152,795.00, and \$117,061.00, respectively, which equaled the required contributions for each year. There were 12, 12, and 10 retired participants eligible at December 31, 2011, 2010, and 2009, respectively.

An actuarial calculation is required to be performed as of December 31, 2011. The Borough submitted the requested information but the calculations have not yet been completed by the Fund.

**Note 10: 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, 2011, accrued benefits for compensated absences are valued at \$182,963.58.

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Note 11: **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 12: **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 of the 30<sup>th</sup> 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 13: **LEASE OBLIGATIONS**

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

Operating:  
Two (2) Photocopiers

The following is an analysis of capital and operating leases.

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

<u>Year</u>	<u>Amount</u>
2012	\$1,096.00

Rental payments under operating leases for the year 2011 were \$2,274.00.

Note 14: **CAPITAL DEBT****Summary of Debt**

	<b><u>Year 2011</u></b>	<b><u>Year 2010</u></b>	<b><u>Year 2009</u></b>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$4,054,000.00	\$3,938,000.00	\$4,532,000.00
Sewer Utility:			
Bonds and Notes	2,793,694.91	2,969,614.69	3,137,408.04
Total Issued	6,847,694.91	6,907,614.69	7,669,408.04
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	1,450,500.00	1,279,500.00	114,500.00
Sewer Utility:			
Bonds, Notes and Loans	153,000.00	153,000.00	153,000.00
Total Authorized but Not Issued	1,603,500.00	1,432,500.00	267,500.00
Total Issued and Authorized but Not Issued	8,451,194.91	8,340,114.69	7,936,908.04
Deductions:			
Self-liquidating	2,946,694.91	3,122,614.69	3,290,408.04
Accounts Receivable:			
NJ Transportation Trust	99,785.50	99,785.50	99,785.50
Total Deductions	99,785.50	99,785.50	99,785.50
Net Debt	\$5,404,714.50	\$8,340,114.69	\$7,936,908.04

**Summary of Statutory Debt Condition**

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 0.94%.

	<b><u>Gross Debt</u></b>	<b><u>Deductions</u></b>	<b><u>Net Debt</u></b>
Regional School District	\$2,304,491.84	\$2,304,491.84	
Local School District	500,000.00	500,000.00	
Sewer Utility	2,946,694.91	2,946,694.91	
General	5,504,500.00	99,785.50	\$5,404,714.50
	<u>\$11,255,686.75</u>	<u>\$5,850,972.25</u>	<u>\$5,404,714.50</u>

Net Debt \$5,404,714.50 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$572,855,823.33 equals 0.94%

Note 14: **CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A.40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$20,049,953.82
Net Debt	<u>5,404,714.50</u>
Remaining Borrowing Power	<u>\$14,645,239.32</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	\$904,921.02
Deductions:	
Operating and Maintenance Cost	\$587,386.46
Debt Service per Sewer Fund	<u>255,813.66</u>
Total Deductions	<u>843,200.12</u>
Excess in Revenue	<u>\$61,720.90</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>	
2012	\$541,000.00	\$137,458.76	\$9,000.00	\$3,528.76	\$690,987.52
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	696,725.00
2017-18	376,000.00	26,790.00	24,000.00	1,710.00	428,500.00
	<u>\$3,275,000.00</u>	<u>\$485,640.02</u>	<u>\$75,000.00</u>	<u>\$15,060.02</u>	<u>\$3,850,700.04</u>



Note 14: **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>	
2012	\$165,518.97	\$73,930.00	\$930,436.49
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
2017-21	875,390.33	208,890.00	1,512,780.33
2022-26	679,451.19	96,512.50	775,963.69
2027-28	265,160.14	12,000.00	277,160.14
	<u>\$2,718,694.91</u>	<u>\$645,177.50</u>	<u>\$7,214,572.45</u>

Note 15: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

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

	<u>Balance Dec. 31, 2011</u>	<u>2012 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$10,000.00	\$5,000.00
Emergency Authorizations	100,000.00	100,000.00
Overexpenditure of Appropriation	15,000.00	Not Applicable

The appropriations in the 2012 Budget as adopted are not less than that required by the statutes.

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, 2011, 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>
2011	\$15,722.46	\$24,046.00	\$4,021.36
2010	3,008.50	29,171.45	12,344.90
2009	76,783.06	59,303.58	38,507.85

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:		
Green Acres Park Various Capital Improvements	October 2, 2012	\$142,500.00
Sewer Capital:		
Bonds and Notes:		
Acquisition of Equipment	October 2, 2012	75,000.00

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**  
**CURRENT FUND**

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Current Cash --Treasurer  
For the Year Ended December 31, 2011

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2010	\$ 1,078,087.72	
Increased by Receipts:		
Taxes Receivable	\$ 17,693,332.13	
Tax Title Liens	2,383.08	
Tax Overpayments	27,117.84	
Prepaid Taxes	146,824.92	
Senior Citizens and Veterans Deductions	161,250.00	
Revenue Accounts Receivable	1,830,427.27	
Miscellaneous Revenues not Anticipated	64,993.23	
Due General Capital Fund	399,998.68	
Due Sewer Utility Operating Fund	57,964.10	
Refunds of Appropriation Reserves	4,876.92	
Federal and State Grant Fund:		
Federal and State Grant Receivable		\$ 326,720.39
Matching Funds for Grants		112,784.50
Due Current Fund		162,309.57
	<u>20,389,168.17</u>	<u>\$ 601,814.46</u>
	21,467,255.89	601,814.46
Decreased by Disbursements:		
2011 Appropriations	6,456,452.52	
2010 Appropriation Reserves	178,217.12	
Refund of Tax Overpayments	6,624.57	
County Taxes	3,886,511.40	
Due County for Added Taxes	6,607.42	
Local District School Tax	6,272,381.48	
Regional High School Tax	2,802,355.02	
Due Federal and State Grant Fund	162,309.57	
Due Animal Control Fund	484.08	
Due Trust Other Fund	59,282.83	
Due Community Development Block Grant Fund	7,069.59	
Accounts Payable	810.00	
Matching Funds for Grants	112,784.50	
Federal and State Grant Fund:		
Federal and State Grants--Appropriated		601,814.46
	<u>19,951,890.10</u>	<u>601,814.46</u>
Balance Dec. 31, 2011	<u>\$ 1,515,365.79</u>	<u>\$ -</u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Schedule of Change Funds  
For the Year Ended December 31, 2011

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<u>Office</u>	Balance <u>Dec. 31, 2011</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, 2011

<u>Year</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Levy</u>	<u>Added Taxes</u>	<u>Collected</u>		<u>Overpayments Applied</u>	<u>Due from State of New Jersey</u>	<u>Cancelled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance Dec. 31, 2011</u>
				<u>2010</u>	<u>2011</u>					
2006	\$ 720.13				\$ 717.05					\$ 3.08
2007	550.35				2.43					547.92
2008	4,664.39				4.98					4,659.41
2009	5,554.57				1,107.34					4,447.23
2010	358,666.50		\$ 13,250.00		369,493.41					2,423.09
	370,155.94		13,250.00		371,325.21					12,080.73
2011		\$ 17,971,617.42		\$ 115,380.52	17,322,006.92	\$ 6,026.72	\$ 174,999.99	\$ 5,825.94	\$ 4,157.73	343,219.60
	<u>\$ 370,155.94</u>	<u>\$ 17,971,617.42</u>	<u>\$ 13,250.00</u>	<u>\$ 115,380.52</u>	<u>\$ 17,693,332.13</u>	<u>\$ 6,026.72</u>	<u>\$ 174,999.99</u>	<u>\$ 5,825.94</u>	<u>\$ 4,157.73</u>	<u>\$ 355,300.33</u>

Analysis of 2011 Property Tax Levy

Tax Yield

General Purpose	\$ 17,953,901.81
Added Taxes (54:4-63.1 et seq.)	17,715.61
	<u>\$ 17,971,617.42</u>

Tax Levy

Regional High School Tax	\$ 2,802,355.02
Local District School Tax	6,354,844.00
County Taxes:	
County Tax	\$ 3,770,528.84
Open Space Tax	115,982.56
Added Taxes (54:4-63.1 et seq.)	<u>3,837.13</u>
Total County Taxes	3,890,348.53
Local Tax for Municipal Purposes	4,909,341.07
Add: Additional Tax Levied	<u>14,728.80</u>
Local Tax for Municipal Purposes Levied	<u>4,924,069.87</u>
	<u>\$ 17,971,617.42</u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Tax Title Liens  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 41,859.60
Increased by:	
Transferred from Taxes Receivable	<u>4,157.73</u>
	46,017.33
Decreased by:	
Collections	<u>2,383.08</u>
Balance Dec. 31, 2011	<u><u>\$ 43,634.25</u></u>



**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Accrued</u>	<u>Realized</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	\$	15,150.00	\$	15,150.00
Other		4,766.52		4,766.52
Fees and Permits		62,013.78		62,013.78
Fines and Costs:				
Municipal Court	\$ 10,240.46	127,714.08	127,387.00	\$ 10,567.54
Interest and Costs on Taxes		103,771.23		103,771.23
Interest on Investments and Deposits		170.29		170.29
Consolidated Municipal Property Tax Relief Aid		103,017.00		103,017.00
Energy Receipts Tax		784,162.00		784,162.00
Interlocal Service Agreement - Triton High School		143,326.50		143,326.50
Interlocal Service Agreement - NJ DMV - Police S/W		70,561.66		70,561.66
Cable TV Franchise Fee		30,493.63		30,493.63
NJ LEA Fees		47,638.90		47,638.90
EMS Billings		224,423.90		224,423.90
Hotel Tax		66,353.10		66,353.10
Recycling Revenue		27,866.76		27,866.76
Rental Income		11,550.00		11,550.00
Payment in Lieu of Taxes		7,775.00		7,775.00
	<u>\$ 10,240.46</u>	<u>\$ 1,830,754.35</u>	<u>\$ 1,830,427.27</u>	<u>\$ 10,567.54</u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2011

	Balance December 31, 2010		Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Reserved			
<b><u>OPERATIONS - WITHIN "CAPS"</u></b>					
<b><u>General Government</u></b>					
General Administration					
Salaries and Wages		\$ 2,273.36	\$ 2,273.36		\$ 2,273.36
Other Expenses	\$ 1,243.65	1,430.62	2,674.27	\$ 1,243.65	1,430.62
Mayor and Council					
Salaries and Wages		2,110.20	2,110.20		2,110.20
Other Expenses	395.00	509.00	904.00	395.00	509.00
Municipal Clerk					
Salaries and Wages		478.28	478.28		478.28
Other Expenses	390.54	1,769.98	2,160.52	994.19	1,166.33
Financial Administration					
Salaries and Wages		2,406.93	2,406.93		2,406.93
Other Expenses	805.71	664.04	1,469.75	882.61	587.14
Audit Services		443.80	443.80		443.80
Collection of Taxes					
Salaries and Wages		380.72	380.72		380.72
Other Expenses		1,267.76	1,267.76		1,267.76
Assessment of Taxes					
Salaries and Wages		2,178.72	2,178.72		2,178.72
Other Expenses	75.00	510.75	585.75	75.00	510.75
Legal Services and Costs					
Other Expenses	3,905.25	10,435.16	14,340.41	12,011.67	2,328.74
Engineering Services					
Other Expenses	1,002.75	14,949.25	15,952.00	5,308.50	10,643.50
Municipal Court					
Salaries and Wages		255.31	255.31		255.31
Other Expenses	688.00	2,877.54	3,565.54	688.00	2,877.54
Public Defender					
Salaries and Wages		4,590.00	4,590.00		4,590.00
<b><u>Land Use Administration</u></b>					
Planning Board					
Salaries and Wages		669.93	669.93		669.93
Other Expenses		1,330.73	1,330.73	18.23	1,312.50
<b><u>Public Safety Functions</u></b>					
Emergency Medical Services					
Salaries and Wages		2,789.69	2,789.69		2,789.69
Other Expenses	2,353.86		5,353.86	5,314.86	39.00
Police					
Salaries and Wages		476.46	476.46	180.00	296.46
Other Expenses	5,094.93	8,761.74	13,856.67	7,155.93	6,700.74
Fire					
Salaries and Wages		935.54	935.54		935.54
Fire Hydrant Service	6,020.58	765.04	6,785.62	6,020.58	765.04
Miscellaneous Other Expenses	6,432.25	45.51	6,477.76	6,432.25	45.51
Municipal Prosecutor					
Salaries and Wages		853.20	853.20		853.20
<b><u>Public Works Functions</u></b>					
Streets and Roads Maintenance					
Salaries and Wages		3,769.63	3,769.63		3,769.63
Other Expenses	11,773.48	8,027.13	19,800.61	19,770.90	29.71
Vehicle Maintenance					
Other Expenses	5,453.65	2,248.29	12,701.94	8,465.95	4,235.99
Solid Waste Collection					
Salaries and Wages		6,924.18	6,924.18	14.84	6,909.34
Other Expenses-Contractual	9,028.00	14,504.68	23,532.68	18,454.00	5,078.68
Building and Grounds					
Other Expenses	4,509.51	8.79	4,518.30	4,429.17	89.13

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2011

	Balance December 31, 2010		Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Reserved			
<u>Health and Human Services</u>					
Board of Health					
Salaries and Wages		\$ 1,378.83	\$ 1,378.83		\$ 1,378.83
Other Expenses		99.32	99.32		99.32
<u>Park and Recreation Functions</u>					
Recreation					
Salaries and Wages		1,916.00	1,916.00		1,916.00
Other Expenses	\$ 2,842.00	5,072.61	7,914.61	\$ 7,675.00	239.61
<u>Code Enforcement</u>					
Code Enforcement					
Salaries and Wages		2,553.20	2,553.20		2,553.20
Other Expenses		97.50	97.50		97.50
<u>Insurance</u>					
Liability Insurance		50,000.00	30,500.00		30,500.00
Employee Group Insurance	42.00	72,793.36	72,835.36	(4,534.92)	77,370.28
<u>Other Common Operating Functions</u>					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	838.00	3,746.68	4,584.68	430.00	4,154.68
Electricity	3,665.51	7,047.60	10,713.11	5,061.87	5,651.24
Street Lighting	2,185.36	9,000.00	11,185.36	9,069.85	2,115.51
Natural Gas	1,271.93	3,573.26	4,845.19	1,271.93	3,573.26
Telephone	1,918.35	1,479.73	4,898.08	4,898.08	
Water	300.00	24.36	324.36	319.34	5.02
Gasoline	1,048.33	376.18	11,424.51	7,553.07	3,871.44
Sewer Treatment	700.00	512.50	1,212.50	700.00	512.50
Landfill/Solid Waste Disposal Costs	15,133.98	8,680.60	23,814.58	23,814.58	
<u>Deferred Charges and Statutory Expenditures</u>					
Social Security System		12,530.11	12,530.11	4,438.36	8,091.75
Disability		1,066.54	1,066.54	108.43	958.11
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Landfill Fees - Recycling Tax	3,126.87	3,000.00	6,126.87	3,126.87	3,000.00
Maintenance of Free Public Library	2,973.70	8,363.77	11,337.47	3,154.37	8,183.10
Interlocal Municipal Service Agreements:					
Triton High School - Police S/W	14,216.50	2,902.56	17,119.06	14,216.50	2,902.56
NJ DMV - Police S/W	14,216.50	8,258.50	22,475.00	14,216.50	8,258.50
	<u>\$ 123,651.19</u>	<u>\$ 306,115.17</u>	<u>\$ 429,766.36</u>	<u>\$ 193,375.16</u>	<u>\$ 236,391.20</u>
Disbursements				\$ 178,217.12	
Accounts Payable				20,034.96	
Refunds				(4,876.92)	
				<u>\$ 193,375.16</u>	

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 123,651.19
Increased by:	
Charged to 2011 Appropriations	<u>153,137.43</u>
	276,788.62
Decreased by:	
Transferred to 2010 Appropriation Reserves	<u>123,651.19</u>
Balance Dec. 31, 2011	<u><u>\$ 153,137.43</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, 2011

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<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
2/5/2008	Codification of Ordinances	\$ 25,000.00	\$ 5,000.00	<u>\$ 15,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 10,000.00</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, 2011

Balance Dec. 31, 2010		\$	90,404.37	
Increased by:				
Collection			<u>161,250.00</u>	
				251,654.37
Decreased by:				
Accrued in 2011:				
Senior Citizens' Deductions per Billings	\$	64,750.00		
Veterans' Deductions per Billings		<u>109,750.00</u>		
			174,500.00	
Add:				
Veterans' and Senior Citizens' Deductions				
Allowed by Tax Collector -- 2011 Taxes		<u>2,250.00</u>		
			176,750.00	
Deduct:				
Veterans' and Senior Citizens' Deductions				
Disallowed by Tax Collector -- 2011 Taxes		<u>1,750.01</u>		
			174,999.99	
Sub-Total -- 2011 Taxes			<u>174,999.99</u>	
Deduct: Deductions Disallowed by				
Tax Collector-- 2010 Taxes		<u>13,250.00</u>		
				<u>161,749.99</u>
Balance Dec. 31, 2011		\$	<u><u>89,904.38</u></u>	

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010 (2011 Taxes)	\$ 115,380.52
Increased by:	
Collections -- 2012 Taxes	<u>146,824.92</u>
	262,205.44
Decreased by:	
Application to Taxes Receivable	<u>115,380.52</u>
Balance Dec. 31, 2011 (2012 Taxes)	<u><u>\$ 146,824.92</u></u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Tax Overpayments  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010		\$	18,541.55
Increased by:			
Overpayments Collected in 2011			<u>27,117.84</u>
			45,659.39
Decreased by:			
Refund	\$	6,624.57	
Applied		<u>6,026.72</u>	
			<u>12,651.29</u>
Balance Dec. 31, 2011		\$	<u><u>33,008.10</u></u>



**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of County Taxes Payable  
For the Year Ended December 31, 2011

---

2011 Tax Levy:		
County Tax	\$ 3,770,528.84	
Open Space Tax	<u>115,982.56</u>	
		\$ 3,886,511.40
Decreased by:		
Disbursements		<u><u>\$ 3,886,511.40</u></u>

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

---

Balance Dec. 31, 2010	\$ 6,607.42
Increased by:	
County Share of 2011 Tax Levy:	
Added Taxes (2011)	<u>3,837.13</u>
	10,444.55
Decreased by:	
Disbursements	<u>6,607.42</u>
Balance Dec. 31, 2011	
Added Taxes (2011)	<u><u>\$ 3,837.13</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Local District School Tax  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010 (Prepaid)	\$ 2.02
Increased by:	
Payments	<u>6,272,381.48</u>
	6,272,383.50
Decreased by:	
Levy -- Calendar Year	<u>6,354,844.00</u>
Balance Dec. 31, 2011 (Payable)	<u><u>\$ 82,460.50</u></u>

## Exhibit SA-15

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Prepaid Regional High School Tax  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 29.97
Increased by:	
Payments	<u>2,802,355.02</u>
	2,802,384.99
Decreased by:	
Levy -- Calendar Year	<u>2,802,355.02</u>
Balance Dec. 31, 2011	<u><u>\$ 29.97</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 4,096.41
Increased by:	
Transfer from FY 2010 Appropriation Reserves	<u>20,034.96</u>
	24,131.37
Decreased by:	
Disbursements	<u>810.00</u>
Balance Dec. 31, 2011	<u><u>\$ 23,321.37</u></u>

## Exhibit SA-17

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Reserve for Codification of Ordinances  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 1,240.96
Decreased by:	
Disbursements	<u>-</u>
Balance Dec. 31, 2011	<u><u>\$ 1,240.96</u></u>

**BOROUGH OF RUNNEMEDE**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2011

<u>Program</u>	<u>Balance Dec. 31, 2010</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2011</u>
Federal Grants:				
Pass Through State - New Jersey Transportation Trust Fund:				
Singley, Hirsch, & Third Avenues	\$ 0.01			\$ 0.01
East 11th Ave	150,000.00		\$ 142,584.69	7,415.31
Constitution Avenue	107,037.67		92,446.52	14,591.15
Black Horse Pike Revitalization - Transportation Enhancement	212,421.10		9,161.63	203,259.47
Hartford Avenue	45,000.00		45,000.00	
	<u>514,458.78</u>		<u>289,192.84</u>	<u>225,265.94</u>
Total Federal Grants				
	<u>514,458.78</u>		<u>289,192.84</u>	<u>225,265.94</u>
State Grants:				
Bulletproof Vest Partnership Grant	2,942.15			2,942.15
Municipal Alliance Grant	18,214.00	\$ 12,375.00	11,779.62	18,809.38
Recycling Tonnage Grant		9,598.89	9,598.89	
Police Domestic Violence Program Grant	3,900.00			3,900.00
Safe and Secure Communities Program	42,416.50	35,615.00		78,031.50
Buckle-up South Jersey	308.04			308.04
Body Armor Grant	236.86	2,118.94	2,118.94	236.86
Assistance to Firefighters Grant	20,702.00			20,702.00
Alcohol Education Rehabilitation Program		647.22	647.22	
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	13,382.88	13,382.88	575.64
	<u>115,185.64</u>	<u>73,737.93</u>	<u>37,527.55</u>	<u>151,396.02</u>
Total State Grants				
	<u>115,185.64</u>	<u>73,737.93</u>	<u>37,527.55</u>	<u>151,396.02</u>
Total Grants	<u>\$ 629,644.42</u>	<u>\$ 73,737.93</u>	<u>\$ 326,720.39</u>	<u>\$ 376,661.96</u>

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

<u>Program</u>	<u>Balance Dec. 31, 2010</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2011 Budget</u>	<u>Balance Dec. 31, 2011</u>
State Grants:				
Municipal Alliance Grant	\$ 575.64	\$ 12,375.00	\$ 12,375.00	\$ 575.64
Recycling Tonnage Grant	6,922.37	9,598.89	6,922.37	9,598.89
Body Armor Grant	8,607.00	2,118.94		10,725.94
Buckle-up South Jersey	236.86			236.86
Drunk Driving Enforcement Grant	4,247.50			4,247.50
Safe and Secure Communities Grant		35,615.00	35,615.00	
Alcohol Education Rehabilitation Fund		647.22	647.22	
Clean Communities Grant		13,382.88	13,382.88	
Total State Grants	<u>20,589.37</u>	<u>73,737.93</u>	<u>68,942.47</u>	<u>25,384.83</u>
Total All Grants	<u>\$ 20,589.37</u>	<u>\$ 73,737.93</u>	<u>\$ 68,942.47</u>	<u>\$ 25,384.83</u>

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

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2010</u>		<u>Transferred</u> <u>from 2011</u> <u>Budget</u> <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Federal Grants:						
Pass Through State:						
New Jersey Transportation Trust Fund:						
Blackhorse Pike Revitalization - Transportation Enhancement	\$ 42,018.18	\$ 131,358.40		\$ 152,018.18		\$ 21,358.40
Constitution Avenue	96,946.20	51,578.80		118,721.83		29,803.17
East 11th Ave	92,416.73	57,583.27		128,736.69		21,263.31
Total Federal Grants	231,381.11	240,520.47		399,476.70		72,424.88
State Grants:						
Safe and Secure Communities Program		4,026.51	\$ 145,305.50	145,304.76		4,027.25
Drunk Driving Enforcement Grant		636.03				636.03
Clean Communities Grant	2,622.80	9,505.52	13,382.88	17,080.95	\$ 2,009.86	6,420.39
Statewide Livable Communities Grant		572.74				572.74
Alcohol Education and Rehabilitation Fund		1,385.06	647.22	1,094.43		937.85
Body Armor Grant		2,524.49			2,524.49	
Bulletproof Vest Partnership Grant		4,082.54			2,857.51	1,225.03
Municipal Alliance Grant	2,742.28	15,450.46	15,469.00	7,210.14	2,586.44	23,865.16
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	2,857.00	5,603.33	6,922.37	12,035.68	1,617.93	1,729.09
Assistance to Firefighters' Grant	4,917.00	20,235.40		4,917.00		20,235.40
Safe Schools and Communities Program		15,000.00				15,000.00
County Road Improvement - Evesham Road Sidewalks		35,794.30		14,694.80	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	13,139.08	128,607.19	181,726.97	202,337.76	29,136.23	91,999.25
Total Grants	\$ 244,520.19	\$ 369,127.66	\$ 181,726.97	\$ 601,814.46	\$ 29,136.23	\$ 164,424.13

**BOROUGH OF RUNNEMEDE**  
FEDERAL AND STATE GRANT FUND  
Statement of Due from/to Current Fund  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010 (Due from)	\$ 4,592.80
Decreased by:	
Received from Current Fund	<u>162,309.57</u>
Balance Dec. 31, 2011 (Due to)	<u><u>\$ 157,716.77</u></u>



**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
Statement of Cash -- Treasurer  
For the Year Ended December 31, 2011

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Fund</u>
Balance Dec. 31, 2010	\$ 6,459.96	\$ 2,840.06	\$ 412,295.83
Increased by Receipts:			
Animal Control Fees	\$ 19,166.60		
Registration Fees Due State	1,132.20		
Due Current Fund:			
Animal Control Fund	484.08		
Miscellaneous Trust Funds			\$ 59,282.83
Community Development Block Grant Fund		\$ 7,069.59	
Community Development Block Grant Receivable		81,158.96	
Miscellaneous Liabilities and Reserves			4,895,797.21
	<u>20,782.88</u>	<u>88,228.55</u>	<u>4,955,080.04</u>
	27,242.84		5,367,375.87
Decreased by Disbursements:			
Expenditures Under R.S.4:19:15.11	11,431.25		
Registration Fees--Due State of New Jersey	1,132.20		
Community Development Block Grant Fund		65,882.06	
Due Sewer Utility Operating Fund			8,068.92
Miscellaneous Liabilities and Reserves			4,858,891.10
	<u>12,563.45</u>	<u>65,882.06</u>	<u>4,866,960.02</u>
Balance Dec. 31, 2011	<u><u>\$ 14,679.39</u></u>	<u><u>\$ 25,186.55</u></u>	<u><u>\$ 500,415.85</u></u>

**BOROUGH OF RUNNEMEDE**  
**ANIMAL CONTROL TRUST FUND**  
Statement of Reserve for Animal Control Fund Expenditures  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010		\$ 6,439.55
Increased by:		
Dog License Fees Collected	\$ 16,583.60	
Cat License Fees Collected	<u>2,583.00</u>	
		<u>19,166.60</u>
		25,606.15
Decreased by:		
Expenditures Under R.S.4:19-15.11 - Cash Disbursements		<u>11,431.25</u>
Balance Dec. 31, 2011		<u><u>\$ 14,174.90</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 13,535.10
2010	<u>19,319.20</u>
	<u><u>\$ 32,854.30</u></u>

**BOROUGH OF RUNNEMEDE**  
**ANIMAL CONTROL TRUST FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 20.41
Increased by:	
Receipts	<u>484.08</u>
Balance Dec. 31, 2011	<u><u>\$ 504.49</u></u>

## Exhibit SB-4

ANIMAL CONTROL TRUST FUND  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2011

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Increased by:	
State Registration Fees Collected	\$ 1,132.20
Decreased by:	
Payments	<u><u>\$ 1,132.20</u></u>

**BOROUGH OF RUNNEMEDE**  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
Statement of Community Development Block Grant Receivable  
For the Year Ended December 31, 2011

---

Balance Dec. 31, 2010	\$ 78,948.48
Increased by:	
Year 32 Entitlement Grant	<u>45,189.00</u>
	124,137.48
Decreased by:	
Receipts	<u>81,158.96</u>
Balance Dec. 31, 2011	<u><u>\$ 42,978.52</u></u>
<u>Analysis of Balance Dec. 31, 2011</u>	
Year 19 - Miscellaneous	\$ 1,600.00
Year 31 - Senior Parking Lot	<u>41,378.52</u>
	<u><u>\$ 42,978.52</u></u>

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Reserve for Community Development Block Grant  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 40,196.17
Increased by:	
Year 32 Entitlement Grant	<u>45,189.00</u>
	85,385.17
Decreased by:	
Disbursements	<u>65,882.06</u>
Balance Dec. 31, 2011	<u><u>\$ 19,503.11</u></u>

Analysis of Balance Dec. 31, 2011

Year 21 - Reconstruction of Smith/Union Streets	\$ 539.59
Year 29 - Passive Walking Trail Next to Runson House	3,172.75
Year 31 - Senior Parking Lot	<u>15,790.77</u>
	<u><u>\$ 19,503.11</u></u>

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND -- OTHER**  
Statement of Changes in Miscellaneous Trust Other Reserves  
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Increased by Receipts	Decreased by Disbursements	Balance Dec. 31, 2011
Liabilities:				
Due State of New Jersey:				
Marriage License Fees	\$ 400.00			\$ 400.00
DCA Training Fees	624.00	\$ 7,759.00	\$ 8,383.00	-
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	13,857.74	114,615.56	109,599.19	18,874.11
New Jersey Unemployment Compensation	12,344.90	15,722.46	24,046.00	4,021.36
Planning Board Escrow	118,991.41	38,675.80	34,905.75	122,761.46
Tax Title Lien Redemption	163,957.74	707,961.22	666,709.22	205,209.74
Parking Offenses Adjudication Act - POAA	671.00	102.00		773.00
Special Law Enforcement Fund	866.57	1,608.98	350.00	2,125.55
Funds Held in Escrow	6,514.87	2,495.38	6,242.92	2,767.33
Recreation Facility Escrow	900.00			900.00
Forfeited Property	3,547.40			3,547.40
Public Defender Fees	7,582.77	1,704.50	4,305.60	4,981.67
Payroll Deductions Payable	27,401.96	3,967,116.71	3,951,070.75	43,447.92
Uniform Fire Safety	3,499.11	1,470.00	1,766.82	3,202.29
Municipal Alliance Contributions	5,879.45			5,879.45
Outside Employment of Municipal Police	3,309.99	34,640.60	51,167.65	(13,217.06)
Public Events	2,483.47	1,925.00	344.20	4,064.27
	<u>\$ 404,412.46</u>	<u>\$ 4,895,797.21</u>	<u>\$ 4,858,891.10</u>	<u>\$ 441,318.57</u>
Reserve funds and Liabilities	\$ 404,412.46			\$ 454,535.63
POET Receivable from Contractors	<u>-</u>			<u>(13,217.06)</u>
	<u>\$ 404,412.46</u>			<u>\$ 441,318.57</u>

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



**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010		\$ 9,547.43
Increased by Receipts:		
Capital Improvement Fund	\$ 50,000.00	
Bond Anticipation Notes	<u>779,000.00</u>	
		<u>829,000.00</u>
		838,547.43
Decreased by Disbursements:		
Improvement Authorizations	354,797.02	
Due Sewer Utility Operating Fund	40,000.00	
Due Current Fund	<u>399,998.68</u>	
		<u>794,795.70</u>
Balance Dec. 31, 2011		<u><u>\$ 43,751.73</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
**Analysis of General Capital Cash**  
**For the Year Ended December 31, 2011**

		Receipts		Disbursements				
	Balance (Deficit) Dec. 31, 2010	Miscellaneous	Bond Anticipation Notes	Improvement Authorizations	Miscellaneous	Transfers		Balance (Deficit) Dec. 31, 2011
						From	To	
Fund Balance	\$ 19.98							\$ 19.98
Capital Improvement Fund	57,450.00	\$ 50,000.00				\$ 50,000.00		57,450.00
New Jersey Transportation Trust Fund - Ord.97-15	(85,280.00)							(85,280.00)
Reserve for Encumbrances	55,470.50					55,470.50	\$ 395,393.75	395,393.75
Due from CDBG Fund	(41,473.55)							(41,473.55)
Due Current Fund	108,543.77				\$ 399,998.68			(291,454.91)
Due Sewer Utility Operating Fund	86,527.00				40,000.00			46,527.00
Due Sewer Utility Capital Fund	(75,000.00)							(75,000.00)
Ordinance								
Number	Improvement Authorizations:							
04-08	Various Capital Improvements	26,247.12						26,247.12
04-16	Various Capital Improvements	4,910.37						4,910.37
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	139,270.19			\$ 58,147.48			81,122.71
09-16	Improvements to Buildings and Grounds	2,928.75						2,928.75
09-16	Time Clocks	50.64						50.64
09-24	Acquisition of an Emergency Response/Rescue Vehicle	(114,000.00)	\$ 114,000.00					
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	25,618.75	665,000.00	236,890.12		297,697.10	9,381.25	165,412.78
10-15	Various Capital Improvements for Beaver Branch Park	(181,736.09)		59,759.42		23,346.65	46,089.25	(218,752.91)
11-9	Various Capital Improvements and the Acquisition of Capital Equipment					74,350.00	50,000.00	(24,350.00)
	\$ 9,547.43	\$ 50,000.00	\$ 779,000.00	\$ 354,797.02	\$ 439,998.68	\$ 500,864.25	\$ 500,864.25	\$ 43,751.73

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

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Balance Dec. 31, 2010	\$ 3,938,000.00
Decreased by:	
Budget Appropriation to Pay Serial Bonds	<u>663,000.00</u>
Balance Dec. 31, 2011	<u><u>\$ 3,275,000.00</u></u>

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

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2010	Increased by		Balance Dec. 31, 2011	Analysis of Balance Dec. 31, 2011		
				2011 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		\$ 218,752.91	281,247.09
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	12/6/2011		\$ 950,000.00		950,000.00		24,350.00	925,650.00
			<u>\$ 1,279,500.00</u>	<u>\$ 950,000.00</u>		<u>\$ 2,229,500.00</u>	<u>\$ 779,000.00</u>	<u>\$ 243,102.91</u>	<u>\$ 1,207,397.09</u>
						Improvement Authorizations - Unfunded			\$ 1,372,809.87
						Less: Unexpended Proceeds of BAN Issued Ord. 10-14			165,412.78
									<u>\$ 1,207,397.09</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, 2011

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<u>Analysis of Balance</u>	Balance <u>Dec. 31, 2011</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 To/From Current Fund  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010 (Due to)	\$ 108,543.77
Decreased by:	
Disbursements	<u>399,998.68</u>
Balance Dec. 31, 2011 (Due from)	<u><u>\$ 291,454.91</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 57,450.00
Increased by:	
2011 Budget Appropriation	<u>50,000.00</u>
	107,450.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>50,000.00</u>
Balance Dec. 31, 2011	<u><u>\$ 57,450.00</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2010		Capital Improvement Fund	2011 Authorizations		Transfer from Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2011	
			Funded	Unfunded		Deferred Charges to Future Taxation Unfunded				Funded	Unfunded
04-08	Various Capital Improvements	06/01/2004	\$ 26,247.12							\$ 26,247.12	
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	139,270.19	\$ 500.00					\$ 58,147.48	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	25,618.75	665,000.00			\$ 9,381.25	534,587.22			165,412.78
10-15	Various Capital Improvements for Beaver Branch Park	12/07/2010		318,263.91			46,089.25	83,106.07			281,247.09
11-9	Various Capital Improvements and the Acquisition of Capital Equipment	12/9/2011			\$ 50,000.00	\$ 950,000.00		74,350.00			925,650.00
			<u>\$ 199,025.82</u>	<u>\$ 983,763.91</u>	<u>\$ 50,000.00</u>	<u>\$ 950,000.00</u>	<u>\$ 55,470.50</u>	<u>\$ 750,190.77</u>		<u>\$ 115,259.59</u>	<u>\$ 1,372,809.87</u>
	Disbursed							\$ 354,797.02			
	Encumbered							<u>395,393.75</u>			
								<u>\$ 750,190.77</u>			



**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2011

<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>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
09-24	Acquisition of an Emergency Response/Rescue Vehicle	02/10/11	02/10/11	02/09/12	1.75%	\$ 114,000.00		\$ 114,000.00
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	02/10/11	02/10/11	02/09/12	1.75%	665,000.00		665,000.00
						<u>\$ 779,000.00</u>	<u>\$ -</u>	<u>\$ 779,000.00</u>
Issued for Cash						<u>\$ 779,000.00</u>		

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Serial Bonds  
For the Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>				
General Bonds of 1998	11-15-1998	\$ 2,900,000.00	11/15/12-15 11/15/16	\$ 200,000.00 200,000.00	4.500% 4.600%	\$ 1,200,000.00	\$ 200,000.00	\$ 1,000,000.00
General Bonds of 2001	08-01-2001	1,598,000.00				198,000.00	198,000.00	
General Bonds of 2004	09-23-2004	1,725,000.00	10/01/12 10/01/13-14 10/01/15 10/01/16	200,000.00 225,000.00 225,000.00 225,000.00	3.300% 3.300% 3.400% 3.500%	1,225,000.00	125,000.00	1,100,000.00
General Bonds of 2008	07-24-2008	1,503,000.00	08/01/12 08/01/13 08/01/14 08/01/15-18	141,000.00 141,000.00 141,000.00 188,000.00	4.500% 4.625% 4.750% 4.750%	1,315,000.00	140,000.00	1,175,000.00
						<u>\$ 3,938,000.00</u>	<u>\$ 663,000.00</u>	<u>\$ 3,275,000.00</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2011

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Increased by</u>	<u>Decreased by</u>	<u>Balance Dec. 31, 2011</u>
			<u>2011 Authorizations</u>	<u>Notes Issued</u>	
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	\$ 500.00			\$ 500.00
09-24	Acquisition of an Emergency Response/ Rescue Vehicle	114,000.00		\$ 114,000.00	
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	665,000.00		665,000.00	
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
		<u>\$ 1,279,500.00</u>	<u>\$ 950,000.00</u>	<u>\$ 779,000.00</u>	<u>\$ 1,450,500.00</u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash -- Treasurer  
For the Year Ended December 31, 2011

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2010	\$ 17,662.61	\$ 1,543.08
Increased by:		
Receipts:		
Rents Receivable	\$ 786,898.62	
Miscellaneous Revenue	28,022.40	
Due Trust Other Fund	8,068.92	
Due General Capital Fund	40,000.00	
Due Sewer Utility Operating Fund	<u>                    </u>	<u>\$ 0.74</u>
	<u>862,989.94</u>	<u>0.74</u>
	880,652.55	1,543.82
Decreased by Disbursements:		
2011 Budget Appropriations	687,891.42	
Appropriation Reserves	22,482.31	
Accrued Interest on Bonds and Loans	81,693.76	
Due Current Fund	57,964.10	
Due Sewer Capital Fund	<u>0.74</u>	
	<u>850,032.33</u>	
Balance Dec. 31, 2011	<u><u>\$ 30,620.22</u></u>	<u><u>\$ 1,543.82</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Capital Cash  
 For the Year Ended December 31, 2011

	Balance (Deficit) <u>Dec. 31, 2010</u>	<u>Receipts</u>  <u>Miscellaneous</u>	<u>Disbursements</u>  <u>Improvement Authorizations</u>	<u>Transfers</u>		Balance (Deficit) <u>Dec. 31, 2011</u>
				<u>From</u>	<u>To</u>	
Capital Improvement Fund	\$ 5,000.00					\$ 5,000.00
Due Sewer Utility Operating Fund	297,540.69	\$ 0.74				297,541.43
Due from NJEIT Loan Receivable	(871,106.00)					(871,106.00)
Due from General Capital Fund	75,000.00					75,000.00
Reserve for Encumbrances	14,700.00			\$ 14,700.00		
Improvement Authorizations:						
Ordinance						
<u>Number</u>						
08-07 Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	480,408.39		\$ -		\$ 14,700.00	495,108.39
	<u>\$ 1,543.08</u>	<u>\$ 0.74</u>	<u>\$ -</u>	<u>\$ 14,700.00</u>	<u>\$ 14,700.00</u>	<u>\$ 1,543.82</u>

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY OPERATING FUND  
Statement of Sewer Rents Receivable  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 86,941.55
Increased by:	
Sewer Rents Levied	<u>773,271.93</u>
	860,213.48
Decreased by:	
Collections	<u>786,898.62</u>
Balance Dec. 31, 2011	<u><u>\$ 73,314.86</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2011**

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	<u>Balance Dec. 31, 2010</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		\$ 6,493.22	\$ 6,493.22		\$ 6,493.22
Other Expenses	\$ 30,516.96	36,196.96	66,713.92	\$ 22,482.31	44,231.61
Statutory Expenditures:					
Disability		255.37	255.37		255.37
Social Security System		10,167.96	10,167.96		10,167.96
	<u>\$ 30,516.96</u>	<u>\$ 53,113.51</u>	<u>\$ 83,630.47</u>	<u>\$ 22,482.31</u>	<u>\$ 61,148.16</u>



**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Schedule of Fixed Capital  
For the Year Ended December 31, 2011

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<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2011</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, 2011

Balance Dec. 31, 2010	\$ 34,719.85
Increased by:	
Charged to Budget Appropriation - Interest on Bonds	<u>79,893.88</u>
	114,613.73
Decreased by:	
Disbursed	<u>81,693.76</u>
Balance Dec. 31, 2011	<u><u>\$ 32,919.97</u></u>

Analysis of Accrued Interest Dec. 31, 2011

Principal Outstanding <u>Dec. 31, 2011</u>	Interest <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
NJEIT Infrastructure Loans:					
\$ 240,000.00	various	08/01/11	12/31/11	153 days	\$ 5,669.50
250,000.00	various	08/01/11	12/31/11	153 days	4,904.50
955,000.00	various	08/01/11	12/31/11	153 days	20,846.25
Serial Bonds					
75,000.00	various	08/01/11	12/31/11	153 days	<u>1,499.72</u>
					<u><u>\$ 32,919.97</u></u>

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010			\$	2,807,443.80
Increased by:				
Paid by Sewer Utility Operating Fund:				
Loans Payable	\$	167,919.78		
Serial Bonds		<u>8,000.00</u>		
				<u>175,919.78</u>
Balance Dec. 31, 2011			\$	<u><u>2,983,363.58</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Loans Payable**  
**For the Year Ended December 31, 2011**

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Payment Schedule Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
N.J. Environmental Infrastructure Trust Loan	\$ 445,000.00	11/04/1999	08/01/12-13 08/01/14-17 08/01/18-19	\$ 25,000.00 30,000.00 35,000.00	5.50% 5.50% 5.70%	\$ 265,000.00	\$ 25,000.00	\$ 240,000.00
N.J. Environmental Infrastructure Fund Loan	443,403.00	11/04/1999	(1)	(1)	Nil	204,879.22	23,748.22	181,131.00
N.J. Environmental Infrastructure Trust Loan	350,000.00	11/05/03	08/01/12-13 08/01/14 08/01/15-16 08/01/17 08/01/18 08/01/19 08/01/20 08/01/21 08/01/22-23	15,000.00 20,000.00 20,000.00 20,000.00 20,000.00 20,000.00 25,000.00 25,000.00 25,000.00	5.00% 5.00% 4.00% 4.20% 4.25% 5.00% 5.00% 4.50% 4.75%	265,000.00	15,000.00	250,000.00
N.J. Environmental Infrastructure Fund Loan	333,703.00	11/05/03	(1)	(1)	Nil	219,590.87	16,713.87	202,877.00
N.J. Environmental Infrastructure Trust Loan	1,025,000.00	11/06/08	08/01/12 08/01/13-14 08/01/15-17 08/01/18 08/01/19 08/01/20-21 08/01/22 08/01/23 08/01/24 08/01/25-26 08/01/27-28	35,000.00 40,000.00 45,000.00 50,000.00 55,000.00 55,000.00 60,000.00 65,000.00 65,000.00 75,000.00 80,000.00	5.00% 5.00% 5.00% 5.00% 5.25% 5.50% 5.50% 5.50% 5.00% 5.00% 5.00%	990,000.00	35,000.00	955,000.00
N.J. Environmental Infrastructure Fund Loan	1,022,000.00	11/06/08	(1)	(1)	Nil	942,144.60	52,457.69	889,686.91
						<u>\$ 2,886,614.69</u>	<u>\$ 167,919.78</u>	<u>\$ 2,718,694.91</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, 2011**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds, Series 2008	07/24/08	\$ 95,000.00	08/01/12	\$ 9,000.00	4.500%			
			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%	\$ 83,000.00	\$ 8,000.00	\$ 75,000.00
						<u>\$ 83,000.00</u>	<u>\$ 8,000.00</u>	<u>\$ 75,000.00</u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2011

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2010</u>		<u>Transfer from Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2011</u>	
			<u>Amount</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		\$ 480,408.39	\$ 153,000.00	\$ 14,700.00	\$ -	\$ 495,108.39	\$ 153,000.00

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Statement of Due To Sewer Utility Operating Fund  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 297,540.69
Increased by:	
Receipts	<u>0.74</u>
Balance Dec. 31, 2011	<u><u>\$ 297,541.43</u></u>

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Statement of Due NJEIT Loan Receivable  
For the Year Ended December 31, 2011

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Balance Dec. 31, 2010	\$ 871,106.00
Decreased by - Receipts	<u>-</u>
Balance Dec. 31, 2011	<u><u>\$ 871,106.00</u></u>



**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Schedule of Sewer Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2011

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2011</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	<u>\$ 153,000.00</u>

**BOROUGH OF RUNNEMEDE**  
**PART 2**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**BOROUGH OF RUNNEMEDE**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2011**

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***Schedule of Financial Statement Findings***

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

**Finding No. 2011-1**

**Criteria or Specific Requirement**

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, 2011**

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2011-2**

**Criteria or Specific Requirement**

Expenditures for goods and services should not be made unless adequate funds are available.

**Condition**

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

**Context**

Expenditures for gasoline during 2011 exceeded available appropriations resulting in a \$15,000.00 over-expended appropriation at year end.

**Effect**

Insufficient internal controls over appropriations.

**Cause**

Expenditures were made without adequate funds available.

**Recommendation**

That controls be established to ensure no expenditures are made without adequate funds available.

**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, 2011**

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2011-3**

**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, 2011**

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2011-4**

**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 \$13,217.06 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**  
**And Questioned Costs as Prepared by Management**

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

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2010-1**

**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 2011-1.

**Planned Corrective Action**

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

**Finding No. 2010-2**

**Condition**

Our audit of compliance with Local Public Contracts Law revealed the following:

1. Certificates of availability of funds were not always filed prior to the award of applicable contracts.
2. Five disbursements tested could not be traced to the bill lists approved in the minutes.

**Current Status**

Condition resolved.

**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)
Bernard Moore	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)
Rene Deacon	Deputy Registrar of Vital Statistics	(A)
Roberta Iaconelli	Tax Search Officer	(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

