

**TOWNSHIP OF
LUMBERTON**

**BURLINGTON COUNTY,
NEW JERSEY**

REPORT OF AUDIT

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

TOWNSHIP OF LUMBERTON
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TOWNSHIP OF LUMBERTON
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Lumberton
Lumberton, New Jersey 08048

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 28, 2013 on our consideration of the Township of Lumberton's, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Lumberton's internal control over financial reporting.

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
May 28, 2013

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Lumberton
Lumberton, New Jersey 08048

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Lumberton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 28, 2013. That report indicated that the Township of Lumberton's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Recommendations that we consider to be significant deficiencies. These significant deficiencies are findings number 2012-1 and 2012-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Township of Lumberton's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the accompanying Schedule of Findings and Recommendations as finding number 2012-2.

The Township of Lumberton's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
May 28, 2013

**TOWNSHIP OF LUMBERTON
CURRENT FUND**

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

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	SA-1	\$ 1,376,938.67	\$ 2,412,081.11
Cash - Change Funds	SA-2	625.00	625.00
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-4	<u>9,026.11</u>	<u>5,825.50</u>
		<u>1,386,589.78</u>	<u>2,418,531.61</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	528,760.32	225,214.45
Tax Title Liens Receivable	SA-6	319,073.78	294,763.64
Special Assessment Liens Receivable	SA-7	8,342.04	8,310.04
Revenue Accounts Receivable	SA-8	14,791.49	9,297.48
Prepaid Local District School Taxes	SA-16	116,927.50	231,872.50
Due from Federal and State Grant Fund	SA-11	23,925.24	12,442.12
Due from Animal Control Fund	SB-6	42.39	
Due from Trust - Other Funds	SB-4	<u>19,837.53</u>	
		<u>1,031,700.29</u>	<u>781,900.23</u>
Deferred Charges:			
Expenditure without Appropriation	SA-9	<u>5,427.00</u>	
		<u>5,427.00</u>	-
Total Regular Fund		<u>2,423,717.07</u>	<u>3,200,431.84</u>
Federal and State Grant Fund:			
Cash	SA-1	371,863.92	180,400.22
Federal and State Grants Receivable	SA-10	<u>594,576.23</u>	<u>637,600.12</u>
Total Federal and State Grant Fund		<u>966,440.15</u>	<u>818,000.34</u>
Total Assets		<u>\$ 3,390,157.22</u>	<u>\$ 4,018,432.18</u>

(Continued)

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

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriations Reserves	A-3, SA-13	\$ 430,801.11	\$ 218,242.52
Reserve for Encumbrances	A-3, SA-13	1,291.20	9,906.08
Accounts Payable	A-1		1,201.56
Due to Mount Holly Municipal Utilities Authority	SA-12	6,645.95	
Prepaid Taxes	SA-14	163,919.46	194,203.62
Tax Overpayments	SA-15	2,101.87	43,962.63
Due County for Added and Omitted Taxes	SA-19	13,080.85	9,783.56
Due to State of New Jersey:			
Marriage License Fees	SA-20	1,600.00	650.00
Training Fees	SA-21	1,664.00	1,645.00
Due to Municipal Open Space Trust Fund	SB-3	95,677.99	145,051.70
Due to Trust - Other Funds	SB-4		529,056.21
Due to General Capital Fund	SC-5	345,007.62	824,999.67
		<u>1,061,790.05</u>	<u>1,978,702.55</u>
Reserves for Receivables and Other Assets		1,031,700.29	781,900.23
Fund Balance	A-1	330,226.73	439,829.06
Total Regular Fund		<u>2,423,717.07</u>	<u>3,200,431.84</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-11	23,925.24	12,442.12
Due to Municipal Open Space Trust Fund	SB-1	219,512.39	
Due to Trust - Other Funds	B	1,980.00	1,980.00
Due to General Capital Fund	SC-6	247,531.56	182,531.56
Reserve for Federal, State, and Local Grants:			
Unappropriated	SA-23	161,456.96	73,750.05
Appropriated	SA-24	312,034.00	538,736.03
Reserve for Encumbrances	SA-24		8,560.58
		<u>966,440.15</u>	<u>818,000.34</u>
Total Federal and State Grant Fund		<u>966,440.15</u>	<u>818,000.34</u>
Total Liabilities, Reserves, and Fund Balance		<u>\$ 3,390,157.22</u>	<u>\$ 4,018,432.18</u>

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
CURRENT FUND

Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 325,000.00	\$ 860,500.00
Miscellaneous Revenue Anticipated	2,642,360.67	2,945,715.73
Receipts from Delinquent Taxes	234,643.20	440,127.36
Receipts from Current Taxes	29,977,518.81	29,126,156.29
Non Budget Revenues	100,607.87	65,147.57
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	40,213.14	143,162.98
Refunds of Prior Years' Expenditures	1,821.67	311.00
Due Animal Control Fund:		
Statutory Excess	42.39	
Liquidation of Reserves for:		
Due from Mount Holly Municipal Utilities Authority		248.00
Other		103.00
Cancellation of:		
Accounts Payable	1,201.56	
Prepaid Taxes	29.59	
Tax Overpayments	10,881.37	16,860.54
Due County for Added and Omitted Taxes		5,270.13
Due State of New Jersey - Marriage License Fees		1,560.67
Due Federal and State Grant Fund:		
Reserve for Federal, State, and Other Grants - Appropriated	7,188.00	3,400.00
Due Trust - Other Funds:		
Miscellaneous Trust Other Reserves	6,951.00	50,375.48
Total Income	33,348,459.27	33,658,938.75
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	2,635,617.82	2,708,011.00
Other Expenses	2,562,840.35	2,672,587.73
Deferred Charges and Statutory Expenditures	784,582.00	1,012,919.00
Operations Excluded from "CAPS":		
Salaries and Wages	4,000.00	59,239.00
Other Expenses	149,350.05	792,803.51
Capital Improvements Excluded from "CAPS"	155,427.00	25,000.00
Municipal Debt Service Excluded from "CAPS"	1,498,469.79	1,501,848.15
Deferred Charges Excluded from "CAPS"		60,000.00
Local District School Tax	13,828,018.50	13,459,803.50
Regional High School Taxes	5,374,549.92	5,134,964.15
County Taxes Payable	5,783,920.10	5,461,153.36
Due County for Added and Omitted Taxes	13,080.85	9,783.56
Municipal Open Space Taxes	143,408.16	145,148.70
Refund of Prior Years' Revenues	54,433.52	11,413.92
Due to State of New Jersey - Prior Year Veteran and Senior Citizens' Deduction Disallowed by Collector	2,500.00	3,008.49

(Continued)

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

	<u>2012</u>	<u>2011</u>
<u>Expenditures (Cont'd)</u>		
Cancellation of:		
Due from Mount Holly Municipal Utilities Authority		\$ 248.00
Creation of Reserves for:		
Prepaid Local District School Taxes	\$ 116,927.50	231,872.50
Due from Federal and State Grant Fund	11,483.12	12,442.12
Due from Animal Control Fund	42.39	
Due from Trust - Other Funds	19,837.53	
Due Federal and State Grant Fund:		
Cancellation of Federal, State and Other Grants Receivable		1,750.00
Total Expenditures	<u>33,138,488.60</u>	<u>\$ 33,303,996.69</u>
Excess in Revenue	209,970.67	354,942.06
Adjustment to Income before Surplus:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>5,427.00</u>	<u>-</u>
Statutory Excess to Fund Balance	215,397.67	354,942.06
<u>Fund Balance</u>		
Balance January 1	<u>439,829.06</u>	<u>945,387.00</u>
	655,226.73	1,300,329.06
Decreased by:		
Utilization as Anticipated Revenue	<u>325,000.00</u>	<u>860,500.00</u>
Balance December 31	<u>\$ 330,226.73</u>	<u>\$ 439,829.06</u>

The accompanying notes to financial statements are an integral part of these statements.

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

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 325,000.00	-	\$ 325,000.00	-
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	12,900.00		12,688.00	\$ (212.00)
Other	1,000.00		5,629.00	4,629.00
Fees and Permits	9,400.00		10,855.39	1,455.39
Fines and Costs:				
Municipal Court	174,000.00		225,591.25	51,591.25
Interest and Costs on Taxes	97,000.00		65,935.36	(31,064.64)
Interest on Investments and Deposits	5,000.00		10,538.98	5,538.98
Local Fire Enforcement Bureau - Fees & Permits	18,300.00		22,385.00	4,085.00
Total Local Revenues	317,600.00	-	353,622.98	36,022.98
State Aid without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	1,283,043.00	-	1,283,043.00	-
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17)				
Uniform Construction Codes Fee	200,000.00	-	205,367.20	5,367.20
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Shared Services Agreements Offset with Appropriations:				
Shared Services - Vehicle Maintenance	16,000.00		14,239.20	(1,760.80)
Shared Services - Zoning Officer	40,850.00		40,060.63	(789.37)
Total Shared Service Agreements Offset with Appropriations	56,850.00	-	54,299.83	(2,550.17)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Offset With Appropriations:				
Recycling Tonnage Grant	25,000.00		25,000.00	
Clean Communities Program	15,000.00		15,000.00	
Emergency Management	5,000.00		5,000.00	
Community Development Block Grant - Reconstruction of Moore and Ross Streets - (Unappropriated Reserves)	65,000.00		65,000.00	
Occupant Protection Incentive Grant (Unappropriated Reserves)	3,750.00		3,750.00	
Clean Communities Program - 2011 (Unappropriated Reserves)	5,000.05		5,000.05	
Click It or Ticket		\$ 4,000.00	4,000.00	
Total Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues	118,750.05	4,000.00	122,750.05	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Uniform Fire Safety Act	24,500.00		33,705.71	9,205.71
Recycling Fees	8,200.00		6,705.10	(1,494.90)
Pilot - Acacia Manor	80,242.00		80,242.52	0.52
Recreation Trust Contribution	42,000.00		42,000.00	
Payments in Lieu of Taxes - Commercial and Industrial (40A:21-1 et. seq.)	41,900.00		35,139.32	(6,760.68)
Cell Tower Fees	34,500.00		37,252.21	2,752.21
Comcast Franchise Fees	65,000.00		69,633.50	4,633.50
Burlington County Municipal JIF	3,500.00		3,950.00	450.00
Off Duty Police Administration	32,660.00		32,660.00	
Building Lease	21,000.00		20,789.67	(210.33)
Lumberton Township Board of Education - Service & Fuel Fee	30,000.00		29,327.08	(672.92)
Reserve for Prepaid Local District School Tax	231,872.50		231,872.50	
Total Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items	615,374.50	-	623,277.61	7,903.11
Total Miscellaneous Revenues Anticipated	2,591,617.55	4,000.00	2,642,360.67	46,743.12
Receipts from Delinquent Taxes	324,000.00	-	234,643.20	(89,356.80)
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	5,235,052.45	-	5,111,177.85	(123,874.60)
Total General Revenues	8,475,670.00	4,000.00	8,313,181.72	(166,488.28)
Non Budget Revenues	-	-	100,607.87	100,607.87
Total Revenues	\$ 8,475,670.00	\$ 4,000.00	\$ 8,413,789.59	\$ (65,980.41)

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 29,977,518.81
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Allocated to:

Local School, Regional High School, Municipal Open Space, and County Taxes	25,470,364.91
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Balance for Support of Municipal Budget Appropriations	4,507,153.90
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Add: Appropriation "Reserve for Uncollected Taxes"	604,023.95
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Amount for Support of Municipal Budget Appropriations	<u>\$ 5,111,177.85</u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 234,643.20</u>
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Licenses - Other:

Christmas Tree	\$ 50.00	
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Clerk - Other	3,320.00	
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Food Handling	380.00	
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Marriage	114.00	
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Swimming Pool	40.00	
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Vending	1,725.00	
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Total Licenses - Other	<u>\$ 5,629.00</u>
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Fees and Permits:

Parade Permits	\$ 50.00	
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Planning Board	1,800.00	
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Searches	1,220.39	
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Street Opening	2,200.00	
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Tennis Keys	285.00	
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Zoning Board	5,300.00	
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Total Fees and Permits	<u>\$ 10,855.39</u>
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Uniform Construction Codes Fees:

Building Permits	\$ 108,279.20	
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Certificate of Occupancy	3,446.00	
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Contractor Registration	150.00	
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Electrical Permits	31,299.00	
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Elevator	6,302.00	
----------	----------	--

Fines - Construction	3,466.00	
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Fire	7,679.00	
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Plumbing Permits	25,711.00	
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Rental Inspections	19,035.00	
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Total Uniform Construction Code Fees	<u>\$ 205,367.20</u>
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(Continued)

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

Analysis of Non Budget Revenues

Receipts - Treasurer:

Certified Birth Certificate	\$ 15.00	
Certified Death	265.00	
Certified Lists	120.00	
Certified Marriage	450.00	
Duplicate Bills	110.00	
Fees for Searches	30.00	
Other	94,034.86	
Photocopies	94.70	
Police Deposits	3,282.35	
Premium on Sale of Tax Anticipation Note	28.00	
Trash Buckets	280.00	
Zoning Ordinance Master Plan	<u>60.00</u>	
		\$ 98,769.91
Due Federal and State Grant Fund:		
DMV Fines		900.00
Due Trust - Other Funds:		
Developers' Escrow Administration Fees		<u>937.96</u>
Total Non Budget Revenues		<u>\$ 100,607.87</u>

The accompanying notes to financial statements are an integral part of this statement.

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

	<u>Appropriations</u>			<u>Expended</u>		<u>Unexpended Balance Canceled</u>	<u>Expenditure without Appropriation</u>
	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
OPERATIONS - WITHIN "CAPS"							
General Government:							
Mayor and Council							
Salaries and Wages	\$ 20,250.00	\$ 20,250.00	\$ 19,250.00		\$ 1,000.00		
Other Expenses	2,000.00	2,000.00	1,322.03		677.97		
Municipal Clerk							
Salaries and Wages	64,300.00	62,198.60	62,198.60				
Other Expenses	30,000.00	27,500.00	26,068.95	\$ 735.00	696.05		
Financial Administration							
Salaries and Wages	70,800.00	71,251.30	71,251.30				
Other Expenses	19,000.00	21,534.35	21,279.15	255.20			
Annual Audit							
Other Expenses	35,000.00	35,000.00	35,000.00				
Assessment of Taxes							
Salaries and Wages	32,000.00	30,455.75	29,152.52		1,303.23		
Other Expenses	6,500.00	6,500.00	4,972.62		1,527.38		
Registrar of Vital Statistics							
Salaries and Wages	1,500.00	1,500.00	999.96		500.04		
Other Expenses	1,000.00	1,000.00	578.00		422.00		
Collection of Taxes							
Salaries and Wages	55,000.00	57,000.00	56,943.88		56.12		
Other Expenses	8,000.00	8,500.00	8,012.99		487.01		
Legal Services							
Other Expenses	65,000.00	70,400.00	70,353.32		46.68		
Municipal Prosecutor							
Other Expenses	17,000.00	17,000.00	14,149.11		2,850.89		
Engineering Services							
Other Expenses	35,000.00	47,000.00	46,184.96		815.04		
Computers / Technology							
Other Expenses	15,000.00	17,000.00	16,543.51		456.49		
Public Works:							
Building and Grounds							
Salaries and Wages	36,500.00	49,000.00	48,347.48		652.52		
Other Expenses	35,000.00	45,000.00	40,529.23		4,470.77		
Road Repairs and Maintenance							
Salaries and Wages	256,753.00	300,253.00	240,452.32		59,800.68		
Other Expenses	10,000.00	10,000.00	2,413.65		7,586.35		

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

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

	Appropriations			Expended		Unexpended Balance Canceled	Expenditure without Appropriation
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (CONT'D)							
Public Works (Cont'd):							
Storm Sewer System	\$ 9,000.00	\$ 9,000.00	\$ 4,506.60		\$ 4,493.40		
Other Expenses							
Garbage and Trash Removal	104,700.00	104,700.00	102,189.15		2,510.85		
Salaries and Wages	1,000.00	1,000.00	306.20		693.80		
Other Expenses							
Vehicle Maintenance	125,800.00	126,300.00	126,031.17		268.83		
Salaries and Wages	45,400.00	58,400.00	56,723.97		1,676.03		
Other Expenses							
Recycling Coordinator	5,000.00	5,001.00	5,000.06		0.94		
Salaries and Wages	5,000.00	5,000.00	1,547.76		3,452.24		
Other Expenses							
Custodial Services	13,000.00	13,000.00	8,146.33		4,853.67		
Salaries and Wages	2,000.00	2,000.00	1,998.17		1.83		
Other Expenses							
Land Use Administration:							
Land Development Board							
Salaries and Wages	9,900.00	9,900.00	9,754.88		145.12		
Other Expenses	3,000.00	3,000.00	2,980.48		19.52		
Zoning Officer							
Salaries and Wages	13,200.00	13,200.00	13,049.52		150.48		
Other Expenses	2,500.00	2,500.00	2,361.49		138.51		
Council on Affordable Housing Rehabilitation							
Other Expenses	19,050.00	19,050.00	19,012.00		38.00		
Public Safety:							
Fire							
Aid to Volunteer Fire Companies	74,500.00	74,500.00	74,500.00				
Uniform Fire Safety Act (Ch. 383, P.L. 1985)							
Salaries and Wages	32,000.00	32,000.00	29,910.55		2,089.45		
Other Expenses	5,500.00	5,500.00	4,173.64	\$ 301.00	1,025.36		
Safety Program							
Other Expenses	3,000.00	3,500.00	3,245.92		254.08		
Officer of Emergency Management							
Salaries and Wages	7,250.00	7,250.00	7,241.32		8.68		
Other Expenses	1,500.00	1,500.00	655.27		844.73		

TOWNSHIP OF LUMBERTON

CURRENT FUND

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

	Appropriations		Expended			Unexpended Balance Canceled	Expenditure without Appropriation
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (CONTD)							
Public Safety (Cont'd):							
Police Department							
Salaries and Wages	\$ 1,612,166.00	\$ 1,574,466.00	\$ 1,484,358.17			\$ 90,107.83	
Other Expenses	55,000.00	50,000.00	46,859.10		\$ 3,140.90		
Parks and Recreation:							
Administration of Public Assistance							
Other Expenses	1,200.00	1,700.00	1,470.00		230.00		
Municipal Court:							
Salaries and Wages	77,000.00	99,000.00	98,684.13		315.87		
Other Expenses	9,000.00	9,000.00	6,743.76		2,256.24		
Insurance:							
General Liability Insurance	248,083.00	306,497.40	306,480.00		17.40		
Employee Group Insurance	549,600.00	569,600.00	491,776.89		77,823.11		
Workers Compensation Insurance	116,774.00						
Insurance Deductible Trust	1,000.00						
Fire Company Insurance	12,000.00	5,559.60	5,559.60				
Other	1,600.00	1,200.00	1,200.00				
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):							
Uniform Construction Code Enforcement Functions							
Salaries and Wages	125,000.00	136,000.00	135,311.46		688.54		
Other Expenses	4,000.00	4,000.00	3,172.19		827.81		
Unclassified:							
Celebration of Public Events, Holiday or Anniversaries							
Other Expenses	1,500.00	1,500.00	1,331.02		168.98		
Animal Control Services							
Salaries and Wages	13,000.00	13,000.00	13,000.00				
Accumulated Absences							
Other Expenses	52,000.00	52,000.00	52,000.00				
Snow Removal							
Other Expenses	10,000.00	10,000.00	10,000.00				

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

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

	Appropriations			Expended		Unexpended Balance Canceled	Expenditure without Appropriation
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (CONT'D)							
Utility Expenses and Bulk Purchases:							
Electricity	\$ 126,000.00	\$ 96,000.00	\$ 72,287.46		\$ 23,712.54		
Telephone and Telegraph	26,500.00	23,500.00	22,547.59		952.41		
Street Lighting	123,000.00	113,200.00	99,663.13		13,536.87		
Fire Hydrant Services	140,000.00	131,300.00	128,418.58		2,881.42		
Gasoline / Diesel	120,000.00	125,300.00	125,236.37		63.63		
Water	9,500.00	12,000.00	11,029.65		970.35		
Fuel Oil	13,000.00	13,000.00	12,447.65		552.35		
Sewer	8,000.00	5,000.00	2,007.48		2,992.52		
Postage	18,000.00	18,000.00	12,923.77		5,076.23		
Landfill / Solid Waste	265,000.00	265,000.00	240,746.22		24,253.78		
Condo Reimbursement	255,000.00	256,099.00	245,987.90		10,111.10		
Total Operations within "CAPS"	5,290,826.00	5,288,586.00	4,920,580.18	\$ 1,291.20	276,586.79	\$ 90,107.83	-
OPERATIONS - WITHIN "CAPS" (CONT'D)							
Detail:							
Salaries and Wages	\$ 2,675,119.00	\$ 2,725,725.65	\$ 2,561,272.80		\$ 74,945.02	\$ 90,107.83	-
Other Expenses	2,615,707.00	2,562,840.35	2,359,307.38	\$ 1,291.20	202,241.77	-	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"							
Statutory Expenditures:							
Contribution to:							
Public Employees' Retirement System	133,536.00	133,536.00	133,536.00		4,214.32		
Social Security System (O.A.S.I.)	210,142.00	210,142.00	205,927.68				
Police and Firemen's Pension Fund	390,904.00	390,904.00	390,904.00				
Unemployment Compensation Insurance	50,000.00	50,000.00	50,000.00				
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	784,582.00	784,582.00	780,367.68	-	4,214.32	-	-
Total General Appropriations for Municipal Purposes within "CAPS"	6,075,408.00	6,073,148.00	5,700,947.86	1,291.20	280,801.11	90,107.83	-

(Continued)

TOWNSHIP OF LUMBERTON

CURRENT FUND

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

	Appropriations			Expended		Unexpended Balance Canceled	Expenditure without Appropriation
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
OPERATIONS - EXCLUDED FROM "CAPS"							
State Fees - Recycling Tax	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	-	-	-	-
Shared Service Agreements: Shared Vehicle Maintenance	18,600.00	18,600.00	18,600.00	-	-	-	-
Public and Private Programs Offset by Revenues:							
Clean Communities Grant	15,000.00	15,000.00	15,000.00				
Recycling Tonnage Grant	25,000.00	25,000.00	25,000.00				
Emergency Management	5,000.00	5,000.00	5,000.00				
Community Development Block Grant - Reconstruction of Moore And Ross Streets (Unappropriated Reserves)	65,000.00	65,000.00	65,000.00				
Occupant Protection Incentive Grant (Unappropriated Reserves)	3,750.00	3,750.00	3,750.00				
Clean Communities Program - 2011 (Unappropriated Reserves)	5,000.05	5,000.05	5,000.05				
Click It or Ticket (N.J.S.A. 40A:4-87, \$4,000.00+)	4,000.00	4,000.00	4,000.00				
Total Public and Private Programs Offset by Revenues	118,750.05	122,750.05	122,750.05	-	-	-	-
Total Operations - Excluded from "CAPS"	149,350.05	153,350.05	153,350.05	-	-	-	-
Detail:							
Salaries and Wages	-	4,000.00	\$ 4,000.00	-	-	-	-
Other Expenses	149,350.05	149,350.05	149,350.05	-	-	-	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Capital Improvement Fund (Expenditure without Appropriation)	150,000.00	150,000.00	5,427.00		\$ 150,000.00		\$ 5,427.00
Acquisition of Various Public Works Equipment	150,000.00	150,000.00	5,427.00	-	150,000.00	-	5,427.00
Total Capital Improvements Excluded from "CAPS"	1,137,000.00	1,137,000.00	1,137,000.00				
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"							
Payment of Bond Principal	6,000.00	6,000.00	6,000.00				
Payment of Bond Anticipation Notes and Capital Notes	187,362.00	187,362.00	187,357.26			\$ 4.74	
Interest on Bonds	15,315.00	25,269.92	25,269.92				
New Jersey Environmental Infrastructure Loan:							
Principal	103,573.00	103,572.11	103,572.11				
Interest	32,638.00	31,570.51	31,570.51				

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

	Appropriations			Expended		Unexpended Balance Canceled	Expenditure without Appropriation
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS" (CONTD)							
Interest on Tax Anticipation Notes	\$ 15,000.00	\$ 8,373.46	\$ 7,699.99			\$ 673.47	
Total Municipal Debt Service - Excluded from "CAPS"	1,496,888.00	1,499,148.00	1,498,469.79			678.21	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,796,238.05	1,802,498.05	1,657,246.84		\$ 150,000.00	678.21	\$ 5,427.00
Subtotal General Appropriations	7,871,646.05	7,875,646.05	7,358,194.70	\$ 1,291.20	430,801.11	90,786.04	5,427.00
Reserve for Uncollected Taxes	604,023.95	604,023.95	604,023.95				
Total General Appropriations	\$ 8,475,670.00	\$ 8,479,670.00	\$ 7,962,218.65	\$ 1,291.20	\$ 430,801.11	\$ 90,786.04	\$ 5,427.00
Appropriation N.J.S.A. 40A:4-87 Budget		\$ 4,000.00					
		8,475,670.00					
		\$ 8,479,670.00					
Due Federal and State Grant Fund:			\$ 604.88				
Police Department - Other Expenses			721.56				
Due Trust - Other Funds:			52,000.00				
Financial Administration - Other Expense			10,000.00				
Accumulated Absences - Other Expenses			50,000.00				
Snow Removal - Other Expenses			(45,514.55)				
Unemployment Compensation Insurance Refunds			11,608.46				
Due General Capital Fund:							
Engineering Services - Other Expenses			5,427.00				
Deferred Charge:			6,000.00				
Capital Improvement Fund (Expenditure without Appropriation)			122,750.05				
Payment of Bond Anticipation Notes and Capital Notes			604,023.95				
Reserve for Federal and State Grants - Appropriated			(39,247.97)				
Reserve for Uncollected Taxes			7,183,845.27				
Receipts:							
Refunds							
Disbursements			\$ 7,962,218.65				

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF LUMBERTON
TRUST FUNDS
Comparative Statements of Assets, Liabilities, Reserves, and Fund Balance - Regulatory Basis
As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 16,316.05	\$ 11,211.40
Total Animal Control Fund		<u>16,316.05</u>	<u>11,211.40</u>
Municipal Open Space Fund:			
Cash	SB-1	1,597.09	227,443.24
Due from Burlington County - Open Space Installment Purchase Note Receivable	SB-2	84,000.00	98,000.00
Due from Current Fund	SB-3	95,677.99	145,051.70
Due from Federal and State Grant Fund	SB-1	219,512.39	
Total Municipal Open Space Fund		<u>400,787.47</u>	<u>470,494.94</u>
Other Funds:			
Cash	SB-1	2,049,719.24	1,463,326.40
Due from Current Fund	SB-4		529,056.21
Due from Federal and State Grant Fund	A	1,980.00	1,980.00
Total Other Funds		<u>2,051,699.24</u>	<u>1,994,362.61</u>
Total Assets		<u>\$ 2,468,802.76</u>	<u>\$ 2,476,068.95</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Fund:			
Due to State of New Jersey - Registration Fees	SB-5	\$ 96.60	\$ 53.40
Reserve for Animal Control Fund Expenditures	SB-6	16,177.06	11,158.00
Due to Current Fund	SB-6	42.39	
Total Animal Control Fund		<u>16,316.05</u>	<u>11,211.40</u>
Municipal Open Space Fund:			
Due to Burlington County - Farmland Preservation Reserve for Future Use	SB-7 B-1	1,268.91 399,518.56	140,330.91 330,164.03
Total Municipal Open Space Fund		<u>400,787.47</u>	<u>470,494.94</u>
Other Funds:			
Due to Current Fund	SB-4	19,837.53	
Reserve for Unemployment Compensation Insurance	SB-8	68,183.00	45,365.45
Reserve for Payroll Deductions Payable	SB-9	10,263.31	1,954.52
Miscellaneous Trust Other Reserves	SB-10	1,953,415.40	1,947,042.64
Total Other Funds		<u>2,051,699.24</u>	<u>1,994,362.61</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 2,468,802.76</u>	<u>\$ 2,476,068.95</u>

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
 Comparative Statements of Operations and Changes in Reserve for Future Use - Regulatory Basis
 For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Revenue Realized</u>		
Amount to be Raised by Taxation	\$ 143,090.93	\$ 144,897.00
Reserve for Future Use	330,163.07	
Non Budget Revenues	<u>2,840.63</u>	<u>5,501.92</u>
Total Revenue	<u>476,094.63</u>	<u>150,398.92</u>
<u>Expenditures</u>		
Budget Appropriations	76,577.03	144,897.00
Disbursements:		
From Funds Reserved in Prior Years		<u>26,627.64</u>
Total Expenditures	<u>76,577.03</u>	<u>171,524.64</u>
Statutory Excess (Deficit) to Reserve	399,517.60	(21,125.72)
<u>Reserve for Future Use</u>		
Balance January 1	<u>330,164.03</u>	<u>351,289.75</u>
	729,681.63	330,164.03
Decreased by:		
Utilization as Anticipated Revenue	<u>330,163.07</u>	<u>-</u>
Balance December 31	<u>\$ 399,518.56</u>	<u>\$ 330,164.03</u>

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Dedicated Revenues - Regulatory Basis
For the Year Ended December 31, 2012

	Anticipated Budget	Realized	Excess or (Deficit)
Amount to be Raised by Taxation	\$ 143,090.93	\$ 143,090.93	-
Reserve Funds:			
Reserve for Future Use	330,163.07	330,163.07	-
Non Budget Revenues	-	2,840.63	\$ 2,840.63
Total Trust Fund Revenues	<u>\$ 473,254.00</u>	<u>\$ 476,094.63</u>	<u>\$ 2,840.63</u>
 <u>Analysis of Non Budget Revenues</u>			
Added and Omitted Levy		\$ 317.23	
Due from Burlington County:			
Open Space Installment Purchase Note Receivable - Interest		1,960.00	
Interest on Investments and Deposits		<u>563.40</u>	
Total Non Budget Revenues		<u>\$ 2,840.63</u>	

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
 Statement of Dedicated Expenditures - Regulatory Basis
 For the Year Ended December 31, 2012

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Unexpended Balance Cancelled</u>
Development of Lands for Recreation and Conservation Other Expenses	\$ 170,000.00	\$ 113,000.00	\$ 28,846.86	\$ 84,153.14
Maintenance of Lands for Recreation and Conservation Salaries & Wages	47,000.00	57,000.00	47,730.17	9,269.83
Reserve for Future Use	256,254.00	303,254.00	-	303,254.00
Total Trust Fund Appropriations	\$ 473,254.00	\$ 473,254.00	\$ 76,577.03	\$ 396,676.97
Due Current Fund Disbursements			\$ 47,730.17 28,846.86	
			\$ 76,577.03	

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF LUMBERTON
General Capital Fund
 Comparative Statements of Assets, Liabilities, Reserves, and Fund Balance - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>			
Cash	SC-1, SC-2	\$ 25,570.56	\$ 39,090.79
Deferred Charges to Future Taxation:			
Funded	SC-3	5,101,697.69	6,342,269.80
Unfunded	SC-4	1,260,676.63	713,610.75
Due from Current Fund	SC-5	345,007.62	824,999.67
Due from Federal and State Grant Fund	SC-6	247,531.56	182,531.56
Total Assets		\$ 6,980,484.06	\$ 8,102,502.57
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes	SC-7	\$ 635,137.00	\$ 635,137.00
General Serial Bonds	SC-8	4,115,000.00	5,252,000.00
New Jersey Environmental Infrastructure Loans Payable	SC-9	986,697.69	1,090,269.80
Improvement Authorizations:			
Funded	SC-10	105,316.31	447,344.62
Unfunded	SC-10	787,213.77	247,190.07
Reserve for Payment of General Serial Bonds	SC-10	227,025.60	
Contracts Payable	SC-11		130,101.28
Capital Improvement Fund	SC-12		53,573.00
General Capital Surplus	C-1	124,093.69	246,886.80
Total Liabilities, Reserves and Fund Balance		\$ 6,980,484.06	\$ 8,102,502.57

The accompanying notes to financial statements are an integral part of these statements.

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of General Capital Surplus - Regulatory Basis
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 246,886.80
Increased by:		
Due Current Fund:		
Premium on Issuance of Bond Anticipation Notes	\$ 434.00	
Cancellation of Improvement Authorizations - Funded	<u>38,772.89</u>	
		<u>39,206.89</u>
		286,093.69
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>162,000.00</u>
Balance December 31, 2012		<u><u>\$ 124,093.69</u></u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF LUMBERTON
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2012

	<u>Balance</u> <u>December 31, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2012</u>
General Fixed Assets:				
Land	\$ 19,154,300.00	\$ 1,700.00		\$ 19,156,000.00
Buildings	8,260,000.00			8,260,000.00
Machinery and Equipment	4,798,087.00	843,662.00	\$ 207,782.00	5,433,967.00
	<u>\$ 32,212,387.00</u>	<u>\$ 845,362.00</u>	<u>\$ 207,782.00</u>	<u>\$ 32,849,967.00</u>
Investment in General Fixed Assets	<u>\$ 32,212,387.00</u>	<u>\$ 845,362.00</u>	<u>\$ 207,782.00</u>	<u>\$ 32,849,967.00</u>

The accompanying notes to financial statements are an integral part of this statement.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Lumberton (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on March 14, 1860 from portions of Medford Township, Southampton Township, and Eastampton Township. The Township, located in Burlington County, New Jersey, has a total area of approximately thirteen square miles, and is located approximately twenty-two miles from the City of Philadelphia. The Township borders Eastampton Township, Southampton Township, Medford Township, Mount Laurel Township, Hainesport Township, and Mount Holly Township. According to the 2010 census, the population is 12,559.

The Township is governed under the Township Committee form of government, with a five-member Committee. The Committee is elected directly by the voters in partisan elections to serve three-year terms of office on a staggered basis, with one or two seats coming up for election each year. At an annual reorganization meeting, the Committee selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Committee.

Component Units - The Township had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statement No. 39.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the "Requirements", the Township 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.

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

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

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

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

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

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

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the current fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

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

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 maximum capitalization threshold allowed by the Circular is \$5,000.00; however the Township has adopted a capitalization threshold of \$1,000.00. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed assets account group. If such property is converted to a municipal use, it will be recorded in the general fixed assets account group.

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

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

Fund Balance - Fund balance included in the current fund represents 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 is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, the Lumberton Township School District, and the Rancocas Valley Regional High School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Lumberton Township School District and the Rancocas Valley Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2011 and decreased by the amount deferred at December 31, 2012. For the regional high school district, operations is charged for the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2011 and decreased by the amount deferred at December 31, 2012.

County Taxes - The Township is responsible for levying, collecting, and remitting county taxes for the County of Burlington. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest payments on outstanding general capital indebtedness are provided on the cash 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 fund. 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.

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

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township 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 Township relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of December 31, 2012, the Township's bank balances of \$4,075,057.18 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 920,591.38
Insured under F.D.I.C.	250,000.00
Collateralized under GUDPA	<u>2,904,465.80</u>
Total	<u>\$ 4,075,057.18</u>

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 calendar years:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	<u>\$ 2.145</u>	<u>\$ 2.048</u>	<u>\$ 2.041</u>	<u>\$ 1.985</u>	<u>\$ 1.971</u>
Apportionment of Tax Rate:					
Municipal	\$.365	\$.348	\$.331	\$.314	\$.298
Municipal Open Space	.010	.010	.009	.009	.010
County	.406	.381	.400	.411	.408
Regional School	.390	.358	.354	.319	.318
Local School	.974	.951	.947	.932	.937

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

<u>Year</u>	<u>Amount</u>
2012	\$ 1,430,909,299.00
2011	1,440,665,311.00
2010	1,448,976,333.00
2009	1,449,067,184.00
2008	1,435,259,193.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$ 30,761,279.12	\$ 29,977,518.81	97.45%
2011	29,556,893.61	29,126,156.29	98.54%
2010	29,600,224.00	29,045,133.00	98.12%
2009	28,791,279.00	28,300,485.00	98.30%
2008	28,433,604.00	27,892,222.00	98.10%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	\$ 319,073.78	\$ 528,760.32	\$ 847,834.10	2.76%
2011	294,763.64	225,214.45	519,978.09	1.76%
2010	270,856.00	466,166.00	737,022.00	2.49%
2009	217,636.00	447,528.00	665,164.00	2.31%
2008	195,591.00	505,638.00	701,229.00	2.47%

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

<u>Year</u>	<u>Number</u>
2012	12
2011	8
2010	6
2009	5
2008	3

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2012	-
2011	-
2010	\$ 43,100.00
2009	43,100.00
2008	43,100.00

Note 5: FUND BALANCES APPROPRIATED

The following schedule details the amount of fund balances of the current fund 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 December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2012	\$ 330,226.73	\$ 307,500.00	93.12%
2011	439,829.06	325,000.00	73.89%
2010	945,387.00	860,500.00	91.02%
2009	1,653,129.00	1,600,000.00	96.79%
2008	2,264,162.00	1,950,000.00	86.12%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 43,805.16	\$ 440,685.61
Federal and State Grant		492,949.19
Trust - Animal Control		42.39
Trust - Municipal Open Space	315,190.38	
Trust - Other	1,980.00	19,837.53
General Capital	592,539.18	
	<u>\$ 953,514.72</u>	<u>\$ 953,514.72</u>

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

Note 7: PENSION PLANS

The Township 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

Note 7: PENSION PLANS (CONT'D)

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued liability</u>	<u>Total Regular Pension Contributions</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	\$ 41,846.00	\$ 83,692.00	\$ 125,538.00	\$ 7,998.00	\$ 133,536.00	\$ 133,536.00
2011	54,885.00	87,455.00	142,340.00	10,811.00	153,151.00	153,151.00
2010	50,026.00	64,278.00	114,304.00	15,851.00	130,155.00	130,155.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued liability</u>	<u>Total Regular Pension Contributions</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	\$ 177,420.00	\$ 199,672.00	\$ 377,092.00	\$ 13,812.00	\$ 390,904.00	\$ 390,904.00
2011	302,167.00	242,289.00	544,456.00	23,682.00	568,138.00	568,138.00
2010	290,914.00	207,256.00	498,170.00	25,327.00	523,497.00	523,497.00

Note 7: PENSION PLANS (CONT'D)

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

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

The Township's contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	\$ 145.38	\$ 145.38
2011	-	-
2010	-	-

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

Note 8: COMPENSATED ABSENCES

Township employees are entitled to paid vacation and sick time depending upon their length of service with the Township. Full-time employees, other than police department employees, are entitled to ten paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated and carried forward for up to three years. Vacation time unused is reimbursed to the employee upon termination or retirement. For police department employees, unused sick time is reimbursed upon retirement, provided that the police department employee has at least twenty years of credited service in the pension system.

The Township compensates employees for unused sick leave upon retirement. The current policy provides one compensated day for every two days accumulated. There is a maximum payout of \$15,000.00 for all Township employees. For police department employees, the employee's average daily salary for the three years preceding retirement shall be used to calculate the rate of pay upon termination. For all other employees, the employee's average daily salary for the five years preceding retirement shall be used to calculate the rate of pay upon termination.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2012, accrued benefits for compensated absences are valued at \$499,969.55.

Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 10: SANITARY LANDFILL ESCROW CLOSURE FUND

The Township previously operated a municipal landfill located in the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

Under the provisions of N.J.S.A.13:1E-1 et seq., known as the Solid Waste Management Act, approval was granted on November 2, 1995 by the State of New Jersey, Department of Environmental Protection (NJDEP) for a closure and post closure plan. On February 24, 2000, the NJDEP accepted the Township's As-Built Documents for the closure of the landfill as complete.

The Township presently holds funds in escrow in accordance with the post closure financial plan approved by the NJDEP on November 2, 1995.

Note 11: CAPITAL DEBT**General Serial Bonds**

Refunding Bonds, Series 2003 - On February 1, 2003, the Township issued \$3,155,000.00 of general obligation refunding bonds, with interest rates ranging from 2.0% to 4.2%. The bonds were issued for the purpose of refunding and redeeming \$2,994,000.00 of the remaining \$3,194,000.00 general obligations, series 1996A, dated September 1, 1996, maturing in the years 2004 through 2016, inclusive, at a redemption price of 102% of the bonds redeemed, and paying the costs of issuance associated with the issuance of the refunding bonds.

Burlington County Bridge Commission, Series 2005 - On December 22, 2005, the Township issued \$3,889,000.00 of general obligation bonds through the Burlington County Bridge Commission, with interest rates ranging from 3.375% to 5.000%. The purpose of the bonds was to fund ordinances 2002-13, 2004-14, and 2005-17. The bonds mature in 2006 to 2016.

Burlington County Bridge Commission, Series 2009 - On August 15, 2009, the Township issued \$1,129,000.00 of general obligation bonds through the Burlington County Bridge Commission, with interest rates ranging from 2.5% to 5.0%. The purpose of the bonds is to fund ordinance 2008-14. The bonds mature in 2010 to 2018.

Note 11: CAPITAL DEBT (CONT'D)**General Serial Bonds (Cont'd)**

Refunding Bonds, Series 2011 - On January 5, 2011, The Township issued \$1,580,000.00 of general refunding bonds, with interest rates ranging from 1.50% to 2.45%. The bonds were issued for the purpose of refunding and redeeming \$1,543,000.00 of the remaining \$1,543,000.00 general obligation bonds, series 1999A, dated December 1, 1999. The bonds mature in 2011 to 2014.

The following schedule represents the remaining debt service, through maturity, for the general serial bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,135,000.00	\$ 154,935.00	\$ 1,289,935.00
2014	1,127,000.00	119,565.00	1,246,565.00
2015	775,000.00	78,010.00	853,010.00
2016	787,000.00	41,615.00	828,615.00
2017	142,000.00	13,060.00	155,060.00
2018	149,000.00	5,960.00	154,960.00
	<u>\$ 4,115,000.00</u>	<u>\$ 413,145.00</u>	<u>\$ 4,528,145.00</u>

New Jersey Environmental Infrastructure Loans Payable

On November 1, 2001, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$958,432.00, at no interest, from the fund loan, and \$1,010,000.00 at interest rates ranging from 4.00% to 5.50% from the trust loan. The proceeds were used to fund the reconstruction of Hollybrook Road. Semiannual debt payments are due February 1st and August 1st through 2021.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans payable:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 110,030.74	\$ 29,887.50	\$ 139,918.24
2014	108,069.70	26,862.50	134,932.20
2015	114,528.32	24,112.50	138,640.82
2016	120,824.88	21,112.50	141,937.38
2017	118,717.97	17,862.50	136,580.47
2018-2021	414,526.08	36,887.50	451,413.58
	<u>\$ 986,697.69</u>	<u>\$ 156,725.00</u>	<u>\$ 1,143,422.69</u>

Note 11: CAPITAL DEBT (CONT'D)**Summary of Debt**

The following schedule represents a summary of the Township's debt, both issued and authorized, for the current year and two preceding years:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Issued</u>			
General:			
Bond Anticipation Notes	\$ 635,137.00	\$ 635,137.00	\$ 102,187.00
General Serial Bonds	4,115,000.00	5,252,000.00	6,348,000.00
Infrastructure Trust Loans	986,697.69	1,090,269.80	1,299,495.67
	<u>5,736,834.69</u>	<u>6,977,406.80</u>	<u>7,749,682.67</u>
Total Issued			
	<u>5,736,834.69</u>	<u>6,977,406.80</u>	<u>7,749,682.67</u>
<u>Authorized but not Issued</u>			
General:			
Notes, Bonds, and Loans	646,000.00	78,473.75	611,423.75
	<u>646,000.00</u>	<u>78,473.75</u>	<u>611,423.75</u>
Total Authorized but not Issued			
	<u>646,000.00</u>	<u>78,473.75</u>	<u>611,423.75</u>
Total Issued and Authorized but not Issued			
	<u>6,382,834.69</u>	<u>7,055,880.55</u>	<u>8,361,106.42</u>
<u>Deductions</u>			
General:			
Reserve for Payment of General Serial Bonds	227,025.60		
Excess Proceeds from Issuance of Notes	20,460.37		
	<u>247,485.97</u>		
Total Deductions		-	-
	<u>247,485.97</u>	<u>-</u>	<u>-</u>
Net Debt	<u>\$ 6,135,348.72</u>	<u>\$ 7,055,880.55</u>	<u>\$ 8,361,106.42</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .42%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 35,018,000.00	\$ 35,018,000.00	
General	6,382,834.69	247,485.97	\$ 6,135,348.72
	<u>\$ 41,400,834.69</u>	<u>\$ 35,265,485.97</u>	<u>\$ 6,135,348.72</u>

Note 11: CAPITAL DEBT (CONT'D)

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

Net debt \$6,135,348.72 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$1,470,139,803.00, equals .42%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 51,454,893.11
Less: Net Debt	<u>6,135,348.72</u>
Remaining Borrowing Power	<u>\$ 45,319,544.39</u>

Note 12: SHORT-TERM DEBT OBLIGATIONS

Tax Anticipation Notes Payable - On August 8, 2012, the Township issued a tax anticipation note in the amount of \$2,640,000.00. The note was issued at an interest rate of 1.50%, with a final maturity date of October 18, 2012. The purpose of the note was to provide sufficient working capital to fund normal operations while awaiting the pending certification of the 2012 tax levy, and the issuance of the 2012 third quarter tax bills.

The following represents changes in short-term debt obligations for the year ended December 31, 2012:

<u>Description</u>	<u>Principal Outstanding Jan. 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Principal Outstanding Dec. 31, 2012</u>
Tax Anticipation Notes	<u>-</u>	<u>\$ 2,640,000.00</u>	<u>\$ 2,640,000.00</u>	<u>-</u>

Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

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

	<u>Balance December 31, 2012</u>	<u>Raised in Subsequent Year Budget</u>
Expenditure without Appropriation	<u>\$ 5,427.00</u>	<u>\$ 5,427.00</u>

The appropriation in the 2013 budget, as adopted, is not less than that required by the statutes.

Note 14: JOINT INSURANCE POOL

The Township is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members, including the Township, with the following coverage:

General Liability	Boiler & Machinery
Automobile Liability	Workers' Compensation
Property (including Auto Physical Damage)	Police Professional
Fidelity & Performance (Blanket)	Public Officials / EPL

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

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

Burlington County Municipal Joint Insurance Fund
P.O. Box 325
Hammonton, New Jersey 08037

Note 15: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's trust fund for the current year:

<u>Year</u>	<u>Township Contributions</u>	<u>Other Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012	\$ 50,000.00	\$ 22,525.83	\$ 49,708.28	\$68,183.00
2011	70,500.00	32,711.63	68,471.18	45,365.45

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2012 are \$264.79.

Note 16: MUNICIPAL OPEN SPACE TRUST FUND**Open Space Acquisition**

At the general election held on November 4, 2003, the voters approved an open space tax rate of three cents per \$100.00 of the assessed value of real property for a period of two years (2004 and 2005). After the two year period, the open space tax rate reverted to a rate of one cent per \$100.00 of assessed value. The purpose of the open space tax is to raise additional revenue for the acquisition, development, maintenance and conservation of farmland, open space, recreation, and historic properties.

Note 16: MUNICIPAL OPEN SPACE TRUST FUND (CONT'D)**Open Space Installment Purchase Note Receivable**

An agreement was entered between the County of Burlington (the "County") and the Township to purchase and preserve the Raab Parcel. The County agreed to pay the Township a principal amount of \$206,250.00, payable in instalments from 2005 to 2018. This amount reflects the County's portion of the open space preservation.

The following schedule represents the remaining amounts, principal and interest, due to the Township:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 14,000.00	\$ 1,680.00	\$ 15,680.00
2014	14,000.00	1,400.00	15,400.00
2015	14,000.00	1,120.00	15,120.00
2016	14,000.00	840.00	14,840.00
2017	14,000.00	560.00	14,560.00
2018	14,000.00	280.00	14,280.00
	<u>\$ 84,000.00</u>	<u>\$ 5,880.00</u>	<u>\$ 89,880.00</u>

Note 17: LITIGATION

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation, is unknown.

Note 18: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2012, several tax appeals were on file against the Township which are expected to be resolved during the current year.

Authorization of Debt - Subsequent to December 31, the Township authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Introduction</u>	<u>Authorized</u>
General Capital Fund: Various Capital Improvements and Related Expenses	04/16/13	\$ 806,150.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2011	\$ 2,412,081.11	\$ 180,400.22
Increased by Receipts:		
Refund of Prior Years' Expenditures	\$ 1,821.67	
Miscellaneous Revenue not Anticipated	98,769.91	
2012 Budget Appropriations	39,247.97	
Petty Cash Funds	600.00	
Due State of New Jersey - Senior Citizens' and Veterans' Deductions	99,799.39	
Taxes Receivable	29,893,287.18	
Tax Title Liens Receivable	8,913.29	
Revenue Accounts Receivable	2,287,680.67	
Due Mount Holly Municipal Utilities Authority	172,850.47	
Federal and State Grants Receivable		\$ 248,280.85
2011 Appropriation Reserves	61,413.79	
Prepaid Taxes	163,919.46	
Tax Overpayments	14,605.79	
Due State of New Jersey:		
Marriage Licenses	950.00	
Training Fees	14,147.00	
Tax Anticipation Notes Payable	2,640,000.00	
Reserve for Federal, State and Other Grants - Appropriated		490.00
Due Current Fund		900.00
Due Trust - Other Funds	50,334.13	
Due General Capital Fund	434.00	
	<u>35,548,774.72</u>	<u>249,670.85</u>
	37,960,855.83	430,071.07
Decreased by Disbursements:		
Refund of Prior Years' Revenues	54,433.52	
2012 Budget Appropriations	7,183,845.27	
Petty Cash Funds	600.00	
Due Mount Holly Municipal Utilities Authority	166,204.52	
2011 Appropriation Reserves	249,349.25	
Tax Overpayments	35,297.67	
Local District School Taxes Payable	13,713,073.50	
Regional High School Tax Payable	5,374,549.92	
County Taxes Payable	5,783,920.10	
Due County for Added and Omitted Taxes	9,783.56	
Due State of New Jersey:		
Training Fees	14,128.00	
Tax Anticipation Notes Payable	2,640,000.00	
Due Current Fund		604.88
Due Federal and State Grant Fund	4,000.00	
Due Municipal Open Space Trust Fund	192,781.87	
Due Trust - Other Funds	658,488.47	
Due General Capital Fund	503,461.51	
Reserve for Federal, State and Other Grants - Appropriated		57,602.27
	<u>36,583,917.16</u>	<u>58,207.15</u>
Balance December 31, 2012	<u>\$ 1,376,938.67</u>	<u>\$ 371,863.92</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2012

<u>Office</u>	<u>Balance</u> <u>December 31, 2012</u>
Tax Collector	\$ 200.00
Township Clerk	75.00
Receptionist	50.00
Recreation	200.00
Municipal Court	100.00
	\$ 625.00

Exhibit SA-3

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

Receipts:	
Received from Treasurer	\$ 600.00
Decreased by:	
Disbursements:	
Returned to Treasurer	\$ 600.00

Analysis of Balance, December 31, 2012

<u>Office</u>	<u>Amount</u>
Administration	\$ 200.00
Police	200.00
Recreation	200.00
	\$ 600.00

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

Balance December 31, 2011		\$ 5,825.50
Increased by:		
Accrued in 2012:		
Deductions per Tax Billing:		
Senior Citizens' Deductions	\$ 9,750.00	
Veterans' Deductions	79,250.00	
Disabled Person Deductions	4,000.00	
Surviving Spouse Deductions	250.00	
Widow of Veteran Deductions	<u>12,250.00</u>	
	\$ 105,500.00	
Deductions Allowed by Collector:		
Senior Citizens' Deductions	250.00	
Veterans' Deductions	1,250.00	
Widow of Veteran Deductions	<u>250.00</u>	
	<u>1,750.00</u>	
		\$ 107,250.00
Less:		
Deductions Disallowed by Collector:		
Senior Citizens' Deductions	1,250.00	
Disabled Person Deductions	<u>500.00</u>	
		<u>1,750.00</u>
		<u>105,500.00</u>
		111,325.50
Decreased by:		
Receipts		99,799.39
Deductions Disallowed by Collector:		
2011 Taxes:		
Senior Citizens' Deductions	2,000.00	
Disabled Person Deductions	<u>500.00</u>	
		<u>2,500.00</u>
		<u>102,299.39</u>
Balance December 31, 2012		<u><u>\$ 9,026.11</u></u>

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

Year	Balance December 31, 2011	2012 Levy	Added Taxes	Collections 2011	2012	Due from State of New Jersey	Overpayments Applied	Cancellations	Transferred to Tax Title Liens	Balance December 31, 2012
2010	\$ 4.08								\$ 3,994.32	\$ 4.08
2011	\$ 225,210.37		4,517.96		\$ 225,729.91					4.10
	225,214.45	-	4,517.96	-	225,729.91	-	-	-	3,994.32	8.18
2012	-	\$ 30,761,279.12	20,044.08	\$ 194,174.03	29,667,557.27	\$ 105,500.00	\$ 10,287.51	\$ 247,945.50	27,106.75	528,752.14
	\$ 225,214.45	\$ 30,761,279.12	24,562.04	\$ 194,174.03	\$ 29,893,287.18	\$ 105,500.00	\$ 10,287.51	\$ 247,945.50	\$ 31,101.07	\$ 528,760.32

Due State of New Jersey:
 Senior Citizens' and Veterans' Deductions Disallowed \$ 2,500.00
 Added Taxes 22,062.04
\$ 24,562.04

Analysis of 2012 Property Tax Levy:

Tax Yield:
 General Purpose Tax \$ 30,693,014.49
 Added Taxes (54.4-63.1 et seq.) 68,264.63
\$ 30,761,279.12

Tax Levy:
 Local District School Tax \$ 13,944,946.00
 Regional High School Tax 5,585,009.80
 County Taxes:
 County Tax \$ 4,713,046.72
 County Library Tax 461,052.41
 County Open Space Tax 609,820.97
 Due County for Added and Omitted Taxes 13,080.85
 5,797,000.95

Local Tax for Municipal Purposes \$ 5,235,052.45
 Local Tax for Municipal Open Space 143,090.93
 Add: Additional Tax Levied for Municipal Purposes 55,861.76
 Add: Additional Tax Levied for Municipal Open Space 317.23
\$ 5,434,322.37

\$ 30,761,279.12

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

Balance December 31, 2011		\$ 294,763.64
Increased by:		
Transfers from Taxes Receivable:		
2011 Taxes Receivable	\$ 3,994.32	
2012 Taxes Receivable	<u>27,106.75</u>	
		\$ 31,101.07
Interest and Costs Accrued by Sale of May 22, 2012		<u>2,122.36</u>
		<u>33,223.43</u>
		327,987.07
Decreased by:		
Receipts		<u>8,913.29</u>
Balance December 31, 2012		<u><u>\$ 319,073.78</u></u>

CURRENT FUND
 Statement of Special Assessment Liens Receivable
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 8,310.04
Increased by:		
Accrued in 2012		<u>32.00</u>
Balance December 31, 2012		<u><u>\$ 8,342.04</u></u>

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2012

	<u>Balance</u> <u>December 31, 2011</u>	<u>Accrued</u> <u>in 2012</u>	<u>Receipts -</u> <u>Treasurer</u>	<u>Due</u> <u>Trust -</u> <u>Other</u> <u>Funds</u>	<u>Balance</u> <u>December 31, 2012</u>
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	\$	12,688.00	\$ 12,688.00		
Other		5,629.00	5,629.00		
Fees and Permits		10,855.39	10,855.39		
Fines and Costs:					
Municipal Court	\$	9,297.48			\$ 14,791.49
Interest and Costs on Taxes		231,085.26	225,591.25		
Interest on Investments and Deposits		65,935.36	65,935.36		
Local Fire Enforcement Bureau - Fees & Permits		10,538.98	10,481.53	\$ 57.45	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		22,385.00	22,385.00		
Uniform Construction Codes Fee		1,283,043.00	1,283,043.00		
Shared Services - Vehicle Maintenance		205,367.20	205,367.20		
Shared Services - Zoning Officer		14,239.20	14,239.20		
Uniform Fire Safety Act		40,060.63	40,060.63		
Recycling Fees		33,705.71	33,705.71		
Pilot - Acacia Manor		6,705.10	6,705.10		
Recreation Trust Contribution		80,242.52	80,242.52		
Payments in Lieu of Taxes - Commercial and Industrial (40A:21-1 et. seq.)		42,000.00	42,000.00		
Cell Tower Fees		35,139.32	35,139.32		
Comcast Franchise Fees		37,252.21	37,252.21		
Burlington County Municipal JIF		69,633.50	69,633.50		
Off Duty Police Administration		3,950.00	3,950.00		
Building Lease		32,660.00	32,660.00		
Lumberton Township Board of Education - Service & Fuel Fee		20,789.67	20,789.67		
		<u>29,327.08</u>	<u>29,327.08</u>		
	<u>\$ 9,297.48</u>	<u>\$ 2,293,232.13</u>	<u>\$ 2,287,680.67</u>	<u>\$ 57.45</u>	<u>\$ 14,791.49</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Deferred Charges
For the Year Ended December 31, 2012

	<u>Added in 2012</u>	<u>Balance December 31, 2012</u>
Expenditure without Appropriation	<u>\$ 5,427.00</u>	<u>\$ 5,427.00</u>

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

	<u>Balance</u> <u>December 31, 2011</u>	<u>Accrued</u>	<u>Collections</u>	<u>Cancellations</u>	<u>Balance</u> <u>December 31, 2012</u>
Federal Grants:					
U.S. Department of Justice: JAG Grant	\$ 12,250.12	\$ 12,250.12			
U.S. Department of Homeland Security: Emergency Management - 2012		\$ 5,000.00	5,000.00		
U.S. Department of Housing and Urban Development: Community Development Block Grant (CDBG) - Reconstruction of Moore and Ross Streets	65,000.00		65,000.00		
U.S. Department of Transportation: Click It or Ticket - 2012		4,000.00	4,000.00		
2009 NJDOT Municipal Aid Program - Safe Routes to Schools	207,000.00		102,283.77		\$ 104,716.23
FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction	98,150.00				98,150.00
Over the Limit Under Arrest	5,200.00			\$ 5,200.00	
Total Federal Grants	<u>387,600.12</u>	<u>9,000.00</u>	<u>188,533.89</u>	<u>5,200.00</u>	<u>202,866.23</u>
State Grants:					
N.J. Department of Environmental Protection: Clean Communities Program - 2012		19,660.75	19,660.75		
Recycling Tonnage Grant - 2012		38,360.29	38,360.29		
N.J. Department of Law and Public Safety: Body Armor Replacement Program - 2012		1,725.92	1,725.92		
Total State Grants	<u>-</u>	<u>59,746.96</u>	<u>59,746.96</u>	<u>-</u>	<u>-</u>

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

	<u>Balance</u> <u>December 31, 2011</u>	<u>Accrued</u>	<u>Collections</u>	<u>Cancellations</u>	<u>Balance</u> <u>December 31, 2012</u>
Other Grants:					
Burlington County Municipal Park Development Grant - 2011	\$ 250,000.00	\$ 141,710.00			\$ 250,000.00
Burlington County Municipal Park Development Grant - 2012					141,710.00
Total Other Grants	250,000.00	141,710.00	-	-	391,710.00
Total Federal, State, and Other Grants	<u>\$ 637,600.12</u>	<u>\$ 210,456.96</u>	<u>\$ 248,280.85</u>	<u>\$ 5,200.00</u>	<u>\$ 594,576.23</u>
Receipts			\$ 248,280.85	\$ 5,200.00	
Reserve for Federal, State and Other Grants - Appropriated			<u>\$ 248,280.85</u>	<u>\$ 5,200.00</u>	

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

Balance December 31, 2011		\$ 12,442.12
Increased by:		
Receipts:		
Collections made by Federal and State Grant Fund:		
Non Budget Revenues	\$ 900.00	
Payments made by Current Fund:		
Federal, State and Other Grants Appropriated	4,000.00	
Cancellation of Reserve for Federal, State and Other Grants - Appropriated	7,188.00	
		12,088.00
		24,530.12
Decreased by:		
Disbursements:		
2012 Appropriations		604.88
Balance December 31, 2012		\$ 23,925.24

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Due to Mount Holly Municipal Utilities Authority
For the Year Ended December 31, 2012

Receipts	\$ 172,850.47
Decreased by:	
Disbursements	<u>166,204.52</u>
Balance December 31, 2012	<u><u>\$ 6,645.95</u></u>

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
 For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>		<u>Balance after</u>	<u>Paid or</u>	<u>Refunds</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>		<u>Lapsed</u>
OPERATIONS - WITHIN "CAPS"						
General Government:						
Mayor and Committee		\$ 30.00	\$ 30.00			\$ 30.00
Salaries and Wages		131.12	131.12			131.12
Other Expenses						
Municipal Clerk		353.54	353.54			353.54
Salaries and Wages		2,062.25	316.25	\$ 303.13		13.12
Other Expenses	\$ 154.00					
Financial Administration		1,261.14	61.14			61.14
Salaries and Wages		46.03	(1,053.97)		\$ 1,100.00	46.03
Other Expenses						
Annual Audit		40.00	40.00			40.00
Other Expenses						
Assessment of Taxes		22.57	22.57			22.57
Salaries and Wages		10.14	1,073.09			1,073.09
Other Expenses	1,062.95					
Registrar of Vital Statistics		0.04	0.04			0.04
Salaries and Wages		128.50	128.50			128.50
Other Expenses						
Collection of Taxes		69.05	69.05			69.05
Salaries and Wages		351.83	351.83	7.50		344.33
Other Expenses						
Legal Services and Costs		1.64	4,551.64	4,528.02		23.62
Other Expenses						
Municipal Prosecutor		23.14	23.14			23.14
Salaries and Wages						
Engineering Services		6,262.50	262.50			262.50
Other Expenses						

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>						
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Balance after Modification</u>	<u>Paid or Charged</u>	<u>Refunds</u>	<u>Balance Lapsed</u>	
OPERATIONS - WITHIN "CAPS" (CONT'D)							
General Government (Cont'd):							
Computer / Technology		\$ 844.03	\$ 844.03	\$ 612.50		\$ 231.53	
Other Expenses							
Public Works Function:							
Public Buildings and Grounds							
Salaries and Wages		1.67	1.67		\$ 1,944.00	1,945.67	
Other Expenses	\$ 2,117.00	7.72	4,124.72	4,087.40	10,221.07	10,258.39	
Road Repairs and Maintenance							
Salaries and Wages		2,933.98	2,933.98			2,933.98	
Other Expenses	133.96	1,730.32	1,864.28	357.97		1,506.31	
Storm Sewer System							
Other Expenses		1,507.50	1,507.50			1,507.50	
Garbage and Trash Removal							
Salaries and Wages		8.58	8.58			8.58	
Other Expenses		1,000.00	1,000.00			1,000.00	
Vehicle Maintenance							
Salaries and Wages		46.76	46.76			46.76	
Other Expenses	2,568.69	57.29	10,225.98	10,035.49		190.49	
Recycling Coordinator							
Salaries and Wages		9.94	9.94			9.94	
Other Expenses		674.17	674.17	594.51		79.66	
Custodial Services							
Salaries and Wages		1,281.08	1,281.08			1,281.08	
Other Expenses		302.65	302.65			302.65	

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>		<u>Balance after</u>	<u>Paid or</u>	<u>Refunds</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>		<u>Lapsed</u>
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Land Development Board		\$ 28.97	\$ 28.97			\$ 28.97
Salaries and Wages		790.40	790.40			790.40
Other Expenses						
Zoning Officer		1.95	1.95			1.95
Salaries and Wages		461.25	461.25			461.25
Other Expenses						
Council on Affordable Housing Rehabilitation						
Other Expenses		4,791.00	4,791.00	4,753.00		38.00
Public Safety Functions:						
Uniform Fire Safety Act (Ch. 383, P.L. 1985)						
Salaries and Wages		64.33	64.33			64.33
Other Expenses	\$ 494.95	365.03	859.98	323.98		536.00
Safety Program						
Other Expenses		1,230.15	1,230.15			1,230.15
Office of Emergency Management						
Salaries and Wages		8.68	8.68			8.68
Other Expenses		255.54	255.54		\$ 1,000.00	1,255.54
Police						
Salaries and Wages		760.85	(30,799.15)			200.85
Other Expenses	3,289.08	12,309.36	11,598.44	16,564.76	5,000.00	33.68
Parks and Recreation:						
Recreation Services and Programs						
Salaries and Wages		98.86	98.86			98.86
Other Expenses		0.84	0.84			0.84

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
 For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>						
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Balance after Modification</u>	<u>Paid or Charged</u>	<u>Refunds</u>	<u>Balance Lapsed</u>	
OPERATIONS - WITHIN "CAPS" (CONT'D)							
Administration of Public Assistance:							
Other Expenses	\$	150.00	\$ 450.00	\$ 420.00		\$	30.00
Municipal Court:							
Salaries and Wages		13.37	13.37				13.37
Other Expenses		291.28	291.28	1.50			289.78
Insurance:							
Employee Group Insurance		504.64	504.64				504.64
Insurance Deductible Trust		1,000.00	1,000.00				1,000.00
Fire Company Insurance		6,982.40	6,982.40				6,982.40
Other		400.00	400.00				400.00
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):							
Uniform Construction Code Enforcement Functions							
Salaries and Wages		102.70	102.70				102.70
Other Expenses		0.38	0.38				0.38
Other Common Operation Functions (Unclassified):							
Celebration of Public Events, Holiday or Anniversaries							
Other Expenses		189.12	189.12				189.12
Utility Expenses:							
Electricity		23,565.19	16,365.19	16,299.12			66.07
Telephone and Telegraph	\$	40.20	2,645.08	1,354.37			1,290.71
Street Lighting		19.21	13,281.49	13,252.60			28.89

(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
 For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>		<u>Balance after</u>	<u>Paid or</u>	<u>Refunds</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Modification</u>	<u>Charged</u>		<u>Lapsed</u>
OPERATIONS - WITHIN "CAPS" (CONT'D)						
Utility Expenses (Cont'd):		\$ 642.35	\$ 642.35	\$ 11,606.00	\$ 11,000.00	\$ 36.35
Fire Hydrant Services		2,161.13	10,816.13	10,814.23		1.90
Gasoline		402.67	1,977.67	1,976.99		0.68
Water		225.09	1,765.09	1,763.46		1.63
Fuel Oil		1,957.87	1,957.87	1,608.76		349.11
Sewer	\$ 26.04	3,095.39	121.43	26.04		95.39
Postage		2,844.56	11,334.56	11,332.94		1.62
Other Expenses		119,403.49	127,403.49	127,399.51		3.98
Condo Reimbursement						
Total Operations within "CAPS"	9,906.08	208,915.18	218,821.26	240,023.78	61,265.07	40,062.55
Detail:						
Salaries and Wages	-	\$ 7,121.20	\$ (25,638.80)	-	\$ 32,944.00	\$ 7,305.20
Other Expenses	\$ 9,906.08	201,793.98	244,460.06	\$ 240,023.78	28,321.07	32,757.35

DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"

Statutory Expenditures:

 Contribution to:

 Social Security System (O.A.S.I.)

		1.87	1.87		148.72	150.59
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"		1.87	1.87		148.72	150.59

Total General Appropriations for Municipal Purposes within "CAPS"

	9,906.08	208,917.05	218,823.13	240,023.78	61,413.79	40,213.14
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(Continued)

TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of 2011 Appropriation Reserves
 For the Year Ended December 31, 2012

	<u>Balance December 31, 2011</u>						
	<u>Encumbrances</u>	<u>Reserved</u>	<u>Balance after Modification</u>	<u>Paid or Charged</u>	<u>Refunds</u>	<u>Balance Lapsed</u>	
OPERATIONS - EXCLUDED FROM "CAPS"							
State Fees - Recycling Tax		\$ 9,325.47	\$ 9,325.47	\$ 9,325.47			
Total Other Operations - Excluded from "CAPS"	-	9,325.47	9,325.47	9,325.47	-	-	
Total General Appropriations	<u>\$ 9,906.08</u>	<u>\$ 218,242.52</u>	<u>\$ 228,148.60</u>	<u>\$ 249,349.25</u>	<u>\$ 61,413.79</u>	<u>\$ 40,213.14</u>	
Disbursements				\$ 249,349.25			
Refunds:					<u>\$ 61,413.79</u>		
Receipts							
				<u>\$ 249,349.25</u>	<u>\$ 61,413.79</u>		

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

Balance December 31, 2011		\$ 194,203.62
Increased by:		
Receipts		<u>163,919.46</u>
		358,123.08
Decreased by:		
Application to Taxes Receivable	\$ 194,174.03	
Cancellations	<u>29.59</u>	
		<u>194,203.62</u>
Balance December 31, 2012		<u><u>\$ 163,919.46</u></u>

Exhibit SA-15

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

Balance December 31, 2011		\$ 43,962.63
Increased by:		
Receipts		<u>14,605.79</u>
		58,568.42
Decreased By:		
Disbursements	\$ 35,297.67	
Application to Taxes Receivable	10,287.51	
Cancellations	<u>10,881.37</u>	
		<u>56,466.55</u>
Balance December 31, 2012		<u><u>\$ 2,101.87</u></u>

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

<hr/>		
Balance December 31, 2011:		
School Tax Payable (Prepaid)	\$ (231,872.50)	
School Tax Deferred	<u>6,855,545.50</u>	
		\$ 6,623,673.00
Increased by:		
Levy - School Year July 1, 2012 to June 30, 2013		<u>13,944,946.00</u>
		20,568,619.00
Decreased by:		
Disbursements		<u>13,713,073.50</u>
Balance December 31, 2012:		
School Tax Prepaid	(116,927.50)	
School Tax Deferred	<u>6,972,473.00</u>	
		<u>\$ 6,855,545.50</u>
2012 Liability for Local District School Tax:		
Tax Paid		\$ 13,713,073.50
Tax Prepaid December 31, 2012		<u>(116,927.50)</u>
		13,596,146.00
Less: Tax Payable December 31, 2011		<u>(231,872.50)</u>
Amount Charged to 2012 Operations		<u>\$ 13,828,018.50</u>

TOWNSHIP OF LUMBERTON
CURRENT FUND
Statement of Regional High School Tax Payable
For the Year Ended December 31, 2012

Balance December 31, 2011:		
School Tax Deferred	<u>\$ 2,582,044.00</u>	
		\$ 2,582,044.00
Increased by:		
Levy - School Year July 1, 2012 to June 30, 2013		<u>5,585,009.80</u>
		8,167,053.80
Decreased by:		
Disbursements		<u>5,374,549.92</u>
Balance December 31, 2012:		
School Tax Deferred	<u>2,792,503.88</u>	
School Tax Deferred		<u><u>\$ 2,792,503.88</u></u>
2012 Liability for Regional High School Tax:		
Tax Paid		\$ 5,374,549.92
Tax Payable December 31, 2012		<u>-</u>
		5,374,549.92
Less: Tax Payable December 31, 2011		<u>-</u>
Amount Charged to 2012 Operations		<u><u>\$ 5,374,549.92</u></u>

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

2012 Levy:		
County Tax	\$	4,713,046.72
County Library Tax		461,052.41
County Open Space Tax		<u>609,820.97</u>
		\$ 5,783,920.10
Decreased by:		
Disbursements		<u><u>\$ 5,783,920.10</u></u>

Exhibit SA-19

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

Balance December 31, 2011		\$ 9,783.56
Increased by:		
County Share of 2012 Levy:		
2009 Rollback Assessments	\$	1,571.59
2010 Rollback Assessments		1,574.18
2011 Rollback Assessments		1,570.72
2011 Added Assessments		45.98
2012 Added Assessments		8,277.99
2011 Omitted / Added Assessments		<u>40.39</u>
		<u>13,080.85</u>
		22,864.41
Decreased by:		
Disbursements		<u><u>9,783.56</u></u>
Balance December 31, 2012		<u><u>\$ 13,080.85</u></u>

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

Balance December 31, 2011	\$ 650.00
Increased by:	
Receipts	950.00
Balance December 31, 2012	\$ 1,600.00

Analysis of Balance, December 31, 2012

April 1 - December 31, 2011	\$ 650.00
January 1 - December 31, 2012	950.00
	\$ 1,600.00

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

Balance December 31, 2011	\$ 1,645.00
Increased by:	
Receipts	14,147.00
	15,792.00
Decreased by:	
Disbursements	14,128.00
Balance December 31, 2012	\$ 1,664.00

Analysis of Balance, December 31, 2012

October 1 - December 31, 2012	\$ 1,664.00
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TOWNSHIP OF LUMBERTON
CURRENT FUND

Statement of Tax Anticipation Notes Payable
For the Year Ended December 31, 2012

<u>Description</u>	<u>Amount Issued</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Receipts</u>	<u>Disbursements</u>
Tax Anticipation Notes, 2012 Series A	\$ 2,640,000.00	08/08/12	10/18/12	1.50%	\$ 2,640,000.00	\$ 2,640,000.00

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

	Balance <u>December 31, 2011</u>	Federal and State Grants <u>Receivable</u>	Realized as Revenue <u>in 2012</u>	Balance <u>December 31, 2012</u>
Federal Grants:				
U.S. Department of Homeland Security: Emergency Management - 2012		\$ 5,000.00	\$ 5,000.00	
U.S. Department of Housing and Urban Development: Community Development Block Grant (CDBG) - Reconstruction of Moore and Ross Streets	\$ 65,000.00		65,000.00	
U.S. Department of Transportation: Click It or Ticket - 2012 Occupant Protection Incentive Grants	3,750.00	4,000.00	4,000.00 3,750.00	
Total Federal Grants	<u>68,750.00</u>	<u>9,000.00</u>	<u>77,750.00</u>	<u>-</u>
State Grants:				
N.J. Department of Environmental Protection: Clean Communities Program - 2011 Clean Communities Program - 2012 Recycling Tonnage Grant - 2012	5,000.05	19,660.75 38,360.29	5,000.05 15,000.00 25,000.00	\$ 4,660.75 13,360.29
N.J. Department of Law and Public Safety: Body Armor Replacement Program - 2012		1,725.92		1,725.92
Total State Grants	<u>5,000.05</u>	<u>59,746.96</u>	<u>45,000.05</u>	<u>19,746.96</u>
Other Grants: Burlington County Municipal Park Development Grant - 2012		141,710.00		141,710.00
Total Other Grants	<u>-</u>	<u>141,710.00</u>	<u>-</u>	<u>141,710.00</u>
Total Federal, State, and Other Grants	<u>\$ 73,750.05</u>	<u>\$ 210,456.96</u>	<u>\$ 122,750.05</u>	<u>\$ 161,456.96</u>

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

	Balance December 31, 2011		Transferred from 2012 Budget Appropriations	Paid or Charged	Cancellations	Refunds	Balance December 31, 2012
	Reserved	Encumbrances					
Federal Grants:							
U.S. Department of Agriculture: Green Communities New Jersey Tree Planting Grant	\$ 6,050.00 1,138.00				\$ 6,050.00 1,138.00		
U.S. Department of Homeland Security: Emergency Management - 2009 Emergency Management - 2010 Emergency Management - 2011 Emergency Management - 2012	6,083.07 4,050.04 5,000.00		\$ 1,202.38				\$ 4,880.69 4,050.04 5,000.00 5,000.00
U.S. Department of Housing and Urban Development: Community Development Block Grant Community Development Block Grant (CDBG) - Reconstruction of Moore and Ross Streets	13,731.21		65,000.00	65,000.00			13,731.21
U.S. Department of Justice: JAG Grant	166.24	\$ 6,672.00		7,328.24		\$ 490.00	
U.S. Department of Transportation: Click It or Ticket - 2012 2009 NJDOT Municipal Aid Program - Safe Routes to Schools FY 2011 NJDOT Municipal Aid Program - Fenimore Road Reconstruction New Jersey DEP Recreation Trails Program Over the Limit Under Arrest Occupant Protection Incentive Grants Pothole Program	92,287.04 30,331.40 358.00 5,200.00 2,180.00		4,000.00	4,000.00 2,201.25		5,200.00	90,085.79 30,331.40 358.00 3,750.00 2,180.00
Total Federal Grants	166,575.00	6,672.00	77,750.00	79,731.87	12,388.00	490.00	159,367.13
State Grants:							
N.J. Department of Community Affairs: Domestic Violence Grant Handicapped Recreation	3,636.00 14,610.00						3,636.00 14,610.00
N.J. Department of Environmental Protection: Clean Communities Program Clean Communities Program - 2011	10,091.64 15,000.00	1,888.58	5,000.05	11,980.22 2,298.65			17,701.40

(Continued)

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

	Balance December 31, 2011		Transferred from 2012 Budget Appropriations	Paid or Charged	Cancellations	Refunds	Balance December 31, 2012
	Reserved	Encumbrances					
State Grants (Cont'd):							
N.J. Department of Environmental Protection (Cont'd):							
Clean Communities Program - 2012	\$ 1,000.00		\$ 15,000.00			\$	15,000.00
Recycling Contest	30,909.09			\$ 14,307.00			1,000.00
Recycling Tonnage Grant	4,147.57						16,602.09
Recycling Tonnage Grant - 2011			25,000.00				4,147.57
Recycling Tonnage Grant - 2012							25,000.00
Storm Water Regulation	4,776.50			3,131.60			1,644.90
N.J. Department of Health and Senior Services:							
Alcohol Education & Rehabilitation Fund	12,934.00						12,934.00
N.J. Department of Law and Public Safety:							
Body Armor Replacement Program	4,260.00			2,258.00			2,002.00
Body Armor Replacement Program - 2011	1,522.49						1,522.49
Drunk Driving Enforcement Fund	15,070.31			12,894.93			2,175.38
Drunk Driving Enforcement Fund - 2011	3,718.02						3,718.02
N.J. Department of Treasury:							
Municipal Alliance on Alcoholism & Drug Abuse	485.41						485.41
Total State Grants	<u>122,161.03</u>	<u>\$ 1,888.58</u>	<u>45,000.05</u>	<u>46,870.40</u>	<u>-</u>	<u>-</u>	<u>122,179.26</u>
Other Grants:							
Burlington County Municipal Park Development Grant - 2011	250,000.00			219,512.39			30,487.61
Total Other Grants	<u>250,000.00</u>	<u>-</u>	<u>-</u>	<u>219,512.39</u>	<u>-</u>	<u>-</u>	<u>30,487.61</u>
Total Federal, State, and Other Grants	<u>\$ 538,736.03</u>	<u>\$ 8,560.58</u>	<u>\$ 122,750.05</u>	<u>\$ 346,114.66</u>	<u>\$ 12,388.00</u>	<u>\$ 490.00</u>	<u>\$ 312,034.00</u>
Receipts							
Disbursements				\$ 57,602.27		\$ 490.00	
Due Current Fund				4,000.00			
Municipal Open Space Trust Fund				219,512.39			
Due General Capital Fund				65,000.00			
Federal, State and Other Grants Receivable				<u>\$ 346,114.66</u>		<u>\$ 5,200.00</u>	
Due Current Fund:							
Cancellations						7,188.00	
2012 Budget Appropriations:			<u>\$ 122,750.05</u>				
Reserve for Federal and State Grants - Appropriated			<u>\$ 122,750.05</u>				<u>\$ 490.00</u>

SUPPLEMENTAL EXHIBITS
TRUST FUNDS

TOWNSHIP OF LUMBERTON
TRUST FUNDS

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

	<u>Animal Control Fund</u>	<u>Municipal Open Space</u>	<u>Other</u>
Balance December 31, 2011	\$ 11,211.40	\$ 227,443.24	\$ 1,463,326.40
Increased by Receipts:			
Dedicated Revenues		\$ 2,523.40	
Due from Burlington County - Open Space Installment Purchase Note Receivable		14,000.00	
Due Current Fund		145,051.70	\$ 653,309.96
Due State of New Jersey - Registration Fees	\$ 1,092.00		
Reserve for Animal Control Fund Expenditures	7,484.40		22,525.83
Reserve for Unemployment Compensation Insurance			2,898,497.92
Reserve for Payroll Deductions Payable			851,605.66
Miscellaneous Trust Reserves			<u>4,425,939.37</u>
	<u>8,576.40</u>	<u>161,575.10</u>	<u>5,889,265.77</u>
Decreased by Disbursements:			
Dedicated Expenditures		28,846.86	
Due Current Fund		219,512.39	47,748.13
Due Federal and State Grant Fund			
Due State of New Jersey - Registration Fees	1,048.80		
Reserve for Animal Control Fund Expenditures	2,422.95		
Due to Burlington County - Farmland Preservation			49,708.28
Reserve for Unemployment Compensation Insurance			2,893,496.69
Reserve for Payroll Deductions Payable			848,593.43
Miscellaneous Trust Reserves			<u>3,839,546.53</u>
	<u>3,471.75</u>	<u>387,421.25</u>	<u>3,839,546.53</u>
Balance December 31, 2012	<u>\$ 16,316.05</u>	<u>\$ 1,597.09</u>	<u>\$ 2,049,719.24</u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due from Burlington County -
Open Space Installment Purchase Note Receivable
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 98,000.00
Decreased by:	
Receipts	<u>14,000.00</u>
Balance December 31, 2012	<u><u>\$ 84,000.00</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due from Current Fund
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 145,051.70
Increased by:		
2012 Anticipated Dedicated Revenues:		
Amount to be Raised by Taxation	\$ 143,090.93	
Non Budget Revenues:		
Added and Omitted Levy	<u>317.23</u>	
		<u>143,408.16</u>
		288,459.86
Decreased by:		
Receipts:		
Interfund Loans Received	145,051.70	
Payments made by Current Fund:		
Dedicated Expenditures	<u>47,730.17</u>	
		<u>192,781.87</u>
Balance December 31, 2012		<u><u>\$ 95,677.99</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS — OTHER
 Statement of Due from / (to) Current Fund
 For the Year Ended December 31, 2012

	Developers' Escrow Fund	Disaster Relief Fund	Fire Safety	Housing Trust	Outside Employment	Parking Offense Adjudication Act	Payroll	Public Defender	Tax Title Liens	Trust Other	Unemployment Insurance	Totals
Balance December 31, 2011	\$ 659.09	-	\$ 850.00	\$ 500,000.00	\$ (2,349.98)	\$ 12.00	\$ (810.40)	\$ 735.50	\$ (1,440.00)	\$ (13,600.00)	\$ 45,000.00	\$ 528,056.21
Increased by:												
2012 Budget Appropriation:												
Accumulated Absences												
Unemployment Compensation Insurance												
Snow Removal												
Collections made by Current Fund:												
Reserve for Payroll Deductions Payable												
Disbursements:												
2012 Budget Appropriation:												
Financial Administration - Other Expenses												
Interfund Loans Returned												
Payments made by Current Fund:												
Miscellaneous Trust Other Reserves												
Receipts:												
2012 Budget Appropriation Refunds:												
Employee Group Insurance												
2012 Anticipated Revenue:												
Interest Earned on Deposits												
Non Budget Revenues:												
Administration Fees												
Interfund Loans Received												
Cancellations												
	967.57	2,767.00	-	500,000.00	-	-	55,542.39	-	-	102,672.47	50,000.00	711,949.43
Balance December 31, 2012	<u>\$ (306.48)</u>	<u>\$ (2,767.00)</u>	<u>\$ 850.00</u>	<u>\$ -</u>	<u>\$ (2,349.98)</u>	<u>\$ 12.00</u>	<u>\$ (6,737.10)</u>	<u>\$ 735.50</u>	<u>\$ -</u>	<u>\$ (54,272.47)</u>	<u>\$ 45,000.00</u>	<u>\$ (19,837.53)</u>

Reserve for:

- Accumulated Absences
- Municipal Alliance on Alcohol and Drug Abuse
- Police Chiefs Memorial Fund Donations
- Snow Removal Trust
- Tax Sale Premiums

\$ (4,896.15)
 (3,765.00)
 (419.00)
 1,407.68
(46,600.00)
\$ (54,272.47)

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- ANIMAL CONTROL
Statement of Due to State of New Jersey - Registration Fees
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 53.40
Increased by:	
Receipts	1,092.00
	1,145.40
Decreased by:	
Disbursements	1,048.80
Balance December 31, 2012	\$ 96.60

Analysis of Balance, December 31, 2012

September 2011	\$ 36.00
October 2011	10.80
November 2011	1.20
December 2011	5.40
July 2012	16.20
August 2012	10.80
September 2012	12.00
November 2012	4.20
	\$ 96.60

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

Balance December 31, 2011		\$ 11,158.00
Increased by:		
Receipts:		
Late Fees	\$ 384.40	
Dog License Fees	<u>7,100.00</u>	
		<u>7,484.40</u>
		18,642.40
Decreased by:		
Disbursements	2,422.95	
Due Current Fund:		
Statutory Excess	<u>42.39</u>	
		<u>2,465.34</u>
Balance December 31, 2012		<u><u>\$ 16,177.06</u></u>
 <u>Dog License Fees Collected</u>		
<u>Year</u>		<u>Amount</u>
2010		\$ 5,769.00
2011		<u>10,408.06</u>
		<u><u>\$ 16,177.06</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- MUNICIPAL OPEN SPACE
Statement of Due to Burlington County - Farmland Preservation
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 140,330.91
Decreased by:	
Disbursements	<u>139,062.00</u>
Balance December 31, 2012	<u><u>\$ 1,268.91</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
Statement of Reserve for Unemployment Compensation Insurance
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 45,365.45
Increased by:		
Receipts:		
Contributions	\$ 22,525.83	
Due Current Fund:		
2012 Budget Appropriation	<u>50,000.00</u>	
		<u>72,525.83</u>
		117,891.28
Decreased by:		
Disbursements:		
Claims Paid		<u>49,708.28</u>
Balance December 31, 2012		<u><u>\$ 68,183.00</u></u>

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

Balance December 31, 2011		\$ 1,954.52
Increased by:		
Receipts	\$ 2,898,497.92	
Due Current Fund:		
Collections made by Current Fund	<u>3,307.56</u>	
		<u>2,901,805.48</u>
		2,903,760.00
Decreased by:		
Disbursements		<u>2,893,496.69</u>
Balance December 31, 2012		<u><u>\$ 10,263.31</u></u>

TOWNSHIP OF LUMBERTON
TRUST FUNDS -- OTHER
 Statement of Miscellaneous Trust Other Reserves
 For the Year Ended December 31, 2012

	Balance December 31, 2011	Increased by		Decreased by		Balance December 31, 2012
		Receipts	Due from Current Fund	Disbursements	Due to Current Fund	
Reserve for:						
Accumulated Absences	\$ 13,451.34	\$ 100.00	\$ 52,000.00	\$ 43,049.49	\$ 10,096.15	\$ 12,405.70
Affordable Housing Trust Development Fees	767,474.14	12,231.95		4,689.34		775,016.75
Developers' Escrow Fund	760,455.21	449,297.52		261,157.16		948,595.57
Community Policing Donations	4,779.81	4,150.00		5,538.60		3,391.21
Disaster Relief Fund Donations	2,767.00				2,767.00	
Disposal of Forfeited Property	22,747.00	1,280.47		13,158.88		10,868.59
Municipal Public Defender	5,797.00	10,401.50		13,300.00		2,898.50
Municipal Alliance on Alcohol and Drug Abuse	3,765.00				3,765.00	
Outside Employment of Off-Duty Municipal Police Officer	42,231.61	41,595.22		59,912.01		23,914.82
Parking Offense Adjudication Act (POAA)	1,089.77	172.27				1,262.04
Police Chiefs Memorial Fund Donations	419.00				419.00	
Recreation Trust Fund	44,322.49	25,709.50		52,692.53		17,339.46
Sanitary Landfill	105,296.21	391.27				105,687.48
Snow Removal Trust Fund	33,474.63		10,000.00		41,592.32	
Street Opening Donations	100.00	350.00				450.00
Tax Sale Premiums	115,900.00			83,600.00		32,300.00
Tax Title Liens	13,052.35	305,925.96		310,960.42		8,017.89
Township Beautification Fund Donations	3,425.29			535.00		2,890.29
Uniform Fire Safety Act Penalty Monies	6,494.79					6,494.79
	<u>\$ 1,947,042.64</u>	<u>\$ 851,605.66</u>	<u>\$ 62,000.00</u>	<u>\$ 848,593.43</u>	<u>\$ 58,639.47</u>	<u>\$ 1,953,415.40</u>
Due Current Fund:						
Payments made by Current Fund				\$ 51,688.47		
Cancellations				6,951.00		
2012 Budget Appropriations		\$ 62,000.00				
		<u>\$ 62,000.00</u>				
			<u>\$ 62,000.00</u>		<u>\$ 58,639.47</u>	

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of General Capital Cash
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 39,090.79
Increased by Receipts:		
Due Current Fund	\$ 500,000.00	
Bond Anticipation Notes	635,137.00	
Improvement Authorizations	<u>459,437.70</u>	
		<u>1,594,574.70</u>
		1,633,665.49
Decreased by Disbursements:		
Due Current Fund	11,608.46	
Due Federal and State Grant Fund	65,000.00	
Bond Anticipation Notes	635,137.00	
Improvement Authorizations	<u>896,349.47</u>	
		<u>1,608,094.93</u>
Balance December 31, 2012		<u><u>\$ 25,570.56</u></u>

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Analysis of General Capital Cash
 For the Year Ended December 31, 2012

	Receipts			Disbursements			Balance or (Deficit) December 31, 2012	
	Balance or (Deficit) December 31, 2011	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous		Transfers From To
Due Current Fund	\$ (824,999.67)		\$ 500,000.00			\$ 11,608.46	\$ 3,461.51	\$ (345,007.62)
Due Federal and State Grant Fund	(182,531.56)					65,000.00		(247,531.56)
Reserve for Payment of General Serial Bonds	130,101.28						227,025.60	227,025.60
Contracts Payable	53,573.00						5,427.00	5,427.00
Capital Improvement Fund	246,886.80						39,206.89	124,063.69
General Capital Surplus							20,460.37	20,460.37
Excess Proceeds from Issuance of Bond Anticipation Notes								
Improvement Authorizations:								
Ordinance Number	Description							
2008-14, 2011-11, 2011-12	Road Improvements and Equipment Acquisition	443,344.62		\$ 266,356.36			50,037.34	
2009-10	Various Capital Improvements	14,460.37	\$ 102,187.00	50,767.69	\$ 102,187.00		50,767.69	
2010-07	Various Capital Improvements	154,255.95		39,932.18			26,890.00	141,213.77
2010-08	Evaluation of a Long Range Road Program	4,000.00						
2011-09	Removal and Installation of Oil Tank		532,950.00	2,406.25	532,950.00		2,406.25	
2012-01	Acquisition of a New Fire Truck			463,938.30			25,000.00	
2012-04	Construction of a Tire Storage Unit		459,437.70				15,000.00	
2012-07	Purchase and Acquisition of Police Safety Equipment			21,110.07			45,000.00	23,889.93
2012-06	New Installation of Sewer Laterals for Existing Public Works Buildings			13,585.00			15,000.00	
2012-09	Acquisition of a New Engine and Hydraulic Arm for Automated Refuse Collection Vehicle			23,783.31			40,000.00	16,206.69
2012-12	Acquisition of Broadband Radios for Lumberton Fire Department			10,680.00			12,000.00	
2012-14	Acquisition and Construction of a New Roof for the Lumberton Emergency Squad Building			3,780.31			35,000.00	31,219.69
2012-15	Providing for a Flood Mitigation Project including the Acquisition of Interests in and Improvements to Real Property							
		\$ 39,090.79	\$ 635,137.00	\$ 959,437.70	\$ 896,349.47	\$ 76,608.46	\$ 646,682.65	\$ 34,000.00
					\$ 635,137.00		\$ 646,682.65	\$ 25,570.56

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 6,342,269.80
Decreased by:		
2012 Budget Appropriation to Pay:		
General Serial Bonds	\$ 1,137,000.00	
New Jersey Environmental Infrastructure Loans Payable	<u>103,572.11</u>	
		<u>1,240,572.11</u>
Balance December 31, 2012		<u><u>\$ 5,101,697.69</u></u>

TOWNSHIP OF LUMBERTON

General Capital Fund

Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	Increased by			Decreased by			Analysis of Balance, December 31, 2012			
			2012 Authorizations	Notes Paid by Budget Appropriation	Authorizations Canceled	Balance December 31, 2012	Financed by Bond Anticipation Notes	Unexpended Improvement Authorizations				
General Improvements:												
2008-14; 2011-11; 2011-12	Road Improvements and Equipment Acquisition	\$ 78,473.75		\$ 6,000.00	\$ 78,473.75							
2009-10	Various Capital Improvements	102,187.00			14,460.37		\$ 81,726.63		\$ 81,726.63			
2010-07	Various Capital Improvements	532,950.00					532,950.00		532,950.00			
2012-01	Acquisition of a New Fire Truck and Related Expenses		\$ 475,000.00		475,000.00							
2012-15	Providing for a Flood Mitigation Project including the Acquisition of Interests in and Improvements to Real Property		646,000.00				646,000.00					\$ 646,000.00
		\$ 713,610.75	\$ 1,121,000.00	\$ 6,000.00	\$ 567,934.12	\$ 1,260,676.63	\$ 614,676.63	\$ 635,137.00	\$ 646,000.00			\$ 646,000.00
Bond Anticipation Notes												
Less: Excess Proceeds from Issuance of Bond Anticipation Notes - Ordinances:												
2009-10								20,460.37				
								614,676.63				\$ 787,213.77
Improvement Authorizations Unfunded												
Less: Unexpended Proceeds of Bond Anticipation Notes Issued - Ordinances:												
2010-07												141,213.77
												\$ 646,000.00

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of Due from Current Fund
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 824,999.67
Increased by:		
2012 Budget Appropriations:		
Payment of Bond Anticipation Notes and Capital Notes	\$ 6,000.00	
Deferred Charge - Expenditure without Appropriation:		
Capital Improvement Fund	5,427.00	
Collections made by Current Fund:		
Premium on Issuance of Bond Anticipation Notes	434.00	
Disbursements:		
Payments made by General Capital Fund:		
2012 Budget Appropriations:		
Engineering Services - Other Expenses	11,608.46	
		23,469.46
		848,469.13
Decreased by:		
Receipts:		
Interfund Loans Received	500,000.00	
Payments made by Current Fund:		
Improvement Authorizations	3,461.51	
		503,461.51
Balance December 31, 2012		\$ 345,007.62

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of Due from Federal and State Grant Fund
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 182,531.56
Increased by:	
Disbursements:	
Payments made by General Capital Fund	<u>65,000.00</u>
Balance December 31, 2012	<u><u>\$ 247,531.56</u></u>

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
2009-10	Various Capital Improvements	08/13/09	08/25/11	08/24/12	3.250%	\$ 102,187.00	\$ 102,187.00	\$ 102,187.00	\$ 102,187.00
2009-10	Various Capital Improvements	08/13/09	08/24/12	08/23/13	3.250%		\$ 102,187.00		
2010-07	Various Capital Improvements	01/28/11	01/28/11	01/27/12	2.250%	532,950.00	532,950.00		532,950.00
2010-07	Various Capital Improvements	01/28/11	01/26/12	01/25/13	1.875%		532,950.00		
						<u>\$ 635,137.00</u>	<u>\$ 635,137.00</u>	<u>\$ 635,137.00</u>	<u>\$ 635,137.00</u>

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of General Serial Bonds
 For the Year Ended December 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Paid by Appropriation</u>	<u>Balance December 31, 2012</u>
				<u>December 31, 2012</u>	<u>Amount</u>				
Refunding Bonds, Series 2003	02/01/03	\$ 3,155,000.00	02/01/13	\$ 250,000.00	3.900%				
			02/01/14	245,000.00	4.000%				
			02/01/15	240,000.00	4.100%				
			02/01/16	225,000.00	4.200%	\$ 1,215,000.00	\$ 255,000.00	\$ 960,000.00	
Burlington County Bridge Commission, Series 2005	12/22/05	3,889,000.00	12/15/13	376,000.00	3.625%				
			12/15/14	170,000.00	4.000%				
			12/15/14	219,000.00	5.000%				
			12/15/15	407,000.00	5.000%				
			12/15/16	427,000.00	4.000%	1,962,000.00	363,000.00	1,599,000.00	
Burlington County Bridge Commission, Series 2009	08/15/09	1,129,000.00	08/15/13	119,000.00	3.500%				
			08/15/14	123,000.00	4.000%				
			08/15/15	128,000.00	5.000%				
			08/15/16	135,000.00	5.000%				
			08/15/17	142,000.00	5.000%				
			08/15/18	149,000.00	4.000%	910,000.00	114,000.00	796,000.00	
Refunding Bonds, Series 2011	01/05/11	1,580,000.00	12/01/13	390,000.00	2.000%				
			12/01/14	370,000.00	2.450%	1,165,000.00	405,000.00	760,000.00	
						\$ 5,252,000.00	\$ 1,137,000.00	\$ 4,115,000.00	

TOWNSHIP OF LUMBERTON
 General Capital Fund
 Statement of New Jersey Environmental Infrastructure Loans Payable
 For the Year Ended December 31, 2012

Description	Date of Issue	Original Issue	Maturities of Loans			Interest Rate	Balance December 31, 2011	Paid by Appropriation	Balance December 31, 2012
			Outstanding Date	Amount	December 31, 2012				
Fund Loan	11/01/01	\$ 958,432.00	02/01/13	\$ 9,687.71					
			08/01/13	45,343.03					
			02/01/14	8,707.19					
			08/01/14	44,362.51					
			02/01/15	7,815.80					
			08/01/15	46,712.52					
			02/01/16	6,843.39					
			08/01/16	48,981.49					
			02/01/17	5,789.93					
			08/01/17	47,928.04					
			02/01/18	4,736.48					
			08/01/18	50,115.98					
			02/01/19	3,601.99					
			08/01/19	52,222.88					
			02/01/20	2,386.47					
			08/01/20	1,462.28			\$ 440,269.80	\$ 386,697.69	
Trust Loan	11/01/01	1,010,000.00	08/01/13	55,000.00	5.50%				
			08/01/14	55,000.00	5.00%				
			08/01/15	60,000.00	5.00%				
			08/01/16	65,000.00	5.00%				
			08/01/17	65,000.00	5.00%				
			08/01/18	70,000.00	5.00%				
			08/01/19	75,000.00	5.00%				
			08/01/20	75,000.00	4.75%				
			08/01/21	80,000.00	4.75%		650,000.00	600,000.00	
							\$ 1,090,269.80	\$ 986,697.69	

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of Improvement Authorizations
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date	Ordinance Amount	2012 Authorizations			Transferred from Contracts Payable	Paid or Charged	Cancellations	Balance December 31, 2012	
				Capital Improvement Fund	Capital Surplus	Deferred Charges to Future Taxation - Unfunded				Funded	Unfunded
General Improvements:											
2008-14; 2011-11; 2011-12	Road Improvements and Equipment Acquisition	07/01/08; 12/23/11	\$ 1,571,025.00	\$ 443,344.62	\$ 78,473.75	\$ 50,037.34	\$ 266,356.36	\$ 305,489.35			
2009-10	Various Capital Improvements	07/22/09	317,566.00	14,460.37		50,767.69	50,767.69	14,460.37			
2010-07	Various Capital Improvements	08/17/10	561,000.00	154,255.95		26,890.00	38,932.18	4,000.00			\$ 141,213.77
2010-08	Evaluation of a Long Range Road Program	10/05/10	14,000.00	4,000.00							
2011-09	Removal and Installation of Oil Tank	09/26/11	10,930.00			2,406.25	2,406.25				
2012-01	Acquisition of a New Fire Truck	02/07/12	500,000.00	\$ 25,000.00	\$ 475,000.00		4,500.60	495,499.40			
2012-04	Construction of a Tire Storage Unit	03/20/12	15,000.00		\$ 15,000.00		3,461.51	11,538.49			
2012-07	Purchase and Acquisition of Police Safety Equipment	07/17/12	45,000.00		45,000.00		21,110.07			\$ 23,889.93	
2012-08	New Installation of Sewer Laterals for Existing Public Works Buildings	08/21/12	15,000.00		15,000.00		13,585.00	1,415.00			
2012-09	Acquisition of a New Engine and Hydraulic Arm for Automated Refuse Collection Vehicle	08/21/12	40,000.00		40,000.00		23,795.31			16,205.69	
2012-12	Acquisition of Broadband Radios for Lumberton Fire Department	10/02/12	12,000.00		12,000.00		10,660.00	1,320.00			
2012-14	Acquisition and Construction of a New Roof for the Lumberton Emergency Squad Building	12/18/12	35,000.00		35,000.00		3,780.31			31,219.69	
2012-15	Providing for a Flood Mitigation Project including the Acquisition of Interests in and Improvements to Real Property	12/18/12	680,000.00	\$ 34,000.00	\$ 646,000.00	\$ 130,101.26	\$ 440,373.28	\$ 833,732.61	\$ 34,000.00	\$ 646,000.00	\$ 787,213.77
				\$ 447,344.62	\$ 247,190.07	\$ 1,721,000.00	\$ 440,373.28	\$ 833,732.61	\$ 34,000.00	\$ 105,916.31	\$ 787,213.77
Due Current Fund:							\$ 3,461.51				
Payments made by Current Fund							\$ 967,934.12				
Deferred Charges to Future Taxation - Unfunded							227,025.60				
Reserve for Payment of General Serial Bonds							38,772.89				
Capital Surplus							(455,437.70)				
Receipts:							895,349.47				
Insurance Claim Proceeds											
Disbursements							\$ 440,373.28	\$ 833,732.61			

TOWNSHIP OF LUMBERTON
General Capital Fund
Schedule of Contracts Payable
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 130,101.28
Decreased by:	
Transferred to Improvement Authorizations	<u>\$ 130,101.28</u>

TOWNSHIP OF LUMBERTON
General Capital Fund
Statement of Capital Improvement Fund
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 53,573.00
Increased by:	
Due Current Fund:	
Deferred Charge - Expenditure without Appropriation	<u>5,427.00</u>
	59,000.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u><u>\$ 59,000.00</u></u>

TOWNSHIP OF LUMBERTON
General Capital Fund

Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	2012 Authorizations	Notes Paid from Note Cash	Authorizations Canceled	Bond Anticipation Notes Issued	Balance December 31, 2012
General Improvements:							
2008-14; 2011-11; 2011-12	Road Improvements and Equipment Acquisition	\$ 78,473.75		\$ 102,187.00	\$ 78,473.75	\$ 102,187.00	
2009-10	Various Capital Improvements			532,950.00		532,950.00	
2010-07	Various Capital Improvements						
2012-01	Acquisition of a New Fire Truck and Related Expenses		\$ 475,000.00		475,000.00		
2012-15	Providing for a Flood Mitigation Project including the Acquisition of Interests in and Improvements to Real Property						
			<u>646,000.00</u>				\$ 646,000.00
		<u>\$ 78,473.75</u>	<u>\$ 1,121,000.00</u>	<u>\$ 635,137.00</u>	<u>\$ 553,473.75</u>	<u>\$ 635,137.00</u>	<u>\$ 646,000.00</u>

TOWNSHIP OF LUMBERTON
PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

Schedule of Financial Statement Findings

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

Finding No. 2012-1

Criteria or Specific Requirement

In accordance with maintaining an internal control environment that is effective in the prevention and / or identification of potential financial statement misstatement and / or misclassification, the Township should review and verify, on a timely (monthly) basis, that all bank account reconciliations agree to the cash balance recorded in the applicable fund's general ledger.

Condition

During our examination of the Township's bank reconciliations as of December 31, 2012, several did not agree to the activity recorded in the corresponding general ledger, and in one instance, a bank account was not reconciled on a timely (monthly) basis.

Context

Several bank reconciliations did not agree to the activity recorded in the corresponding general ledger, and one bank account was not reconciled on a timely (monthly) basis.

Effect

Potential errors, irregularities, and factors which would have a negative impact on the Township's financial position could develop and not be detected in a timely manner to enable management to institute corrective actions.

Cause

Client oversight.

Recommendation

That the Township review and verify, on a monthly basis, that all bank accounts are reconciled and agree to the cash balance recorded in the applicable fund's general ledger.

View of Responsible Officials and Planned Corrective Action

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

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

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2012-2

Criteria or Specific Requirement

In accordance with N.J.S.A. 40A:4-57, no officer, board, body or commission shall, during any fiscal year, expend any money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

Condition

There was an expenditure without an appropriation in the current fund for the budget line item entitled "capital improvement fund".

Context

The expenditure without an appropriation for the current fund budget line item entitled "capital improvement fund" totaled \$5,427.00.

Effect

The Township is not in compliance with N.J.S.A. 40A:4-57. In addition, a budget appropriation must be provided in the next succeeding budget for any such item appearing on the balance sheet of the appropriate fund.

Cause

Client oversight.

Recommendation

That the Township, prior to the introduction of a capital ordinance, verify that sufficient funds are available in the capital improvement fund for the required five percent (5%) down payment, when applicable.

View of Responsible Officials and Planned Corrective Action

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

TOWNSHIP OF LUMBERTON
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2011-1

Condition

The Township did not record the activity of the tax title lien bank account in the general ledger accounting system.

Current Status

This condition has been resolved for the year ended December 31, 2012.

Finding No. 2011-2

Condition

Several purchase orders examined were approved and issued after vendor invoices were presented for payment.

Current Status

This condition has been resolved for the year ended December 31, 2012.

TOWNSHIP OF LUMBERTON
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</u>	<u>Name of Surety</u>
James Conway, Jr.	Mayor	\$ 1,000,000.00	(B)
Lewis Jackson	Deputy Mayor	1,000,000.00	(B)
Michael Mansdoerfer	Committeeman	1,000,000.00	(B)
Sean Earlen	Committeeman	1,000,000.00	(B)
Anita Lovely	Committeewoman	1,000,000.00	(B)
Stephanie Yurko	Township Clerk / Vital Statistics Registrar / Health Board Secretary	1,000,000.00	(B)
Joanna Mustafa	Chief Financial Officer	1,000,000.00	(B)
Sharon Deviney	Tax Collector	1,000,000.00	(B)
Karen Caplan	Magistrate	1,000,000.00	(B)
Joanne Snow	Court Administrator	100,000.00	(A)
Lorraine Lingle	Deputy Court Administrator	1,000,000.00	(B)
Bradley Regn	Construction Official	1,000,000.00	(B)
Patty Sporer	Tax Assessor	1,000,000.00	(B)
Michael Moubert, Esq.	Solicitor		

(A) Statutory Position Bond Coverage - The Hartford Insurance Company.

(B) Public Employee Dishonesty Coverage - Burlington County Municipal Joint Insurance Fund.

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APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

