

TOWNSHIP OF EDGEWATER PARK
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2012

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON**

CONTENTS

PART 1

	EXHIBITS	PAGE
Independent Auditor's Report		1-2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>		3-4
Financial Statements – Regulatory Basis:		
<u>Current Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	A	5-6
Comparative Statement of Operations and Changes in Fund Balance – Regulatory Basis	A-1	7
Statement of Revenues – Regulatory Basis	A-2	8-9
Statement of Expenditures – Regulatory Basis	A-3	10-13
<u>Trust Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	B	14
<u>General Capital Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	C	15
Statement of Fund Balance – Regulatory Basis	C-1	15
<u>General Fixed Assets:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	E	16
<u>Notes to Financial Statements</u>		17-30
Supplementary Schedules:		
<u>Current Fund</u>		
Statement of Cash - Treasurer	A-4	31
Statement of Cash-Collector	A-4	32
Statement of Taxes Receivable & Analysis of Property Tax Levy	A-5	33
Statement of Tax Title Liens	A-6	34
Statement of Property Acquired for Taxes	A-7	34
Statement of Revenue Accounts Receivable	A-8	35
Statement of Deferred Charges	A-9	35
Statement of 2011 Appropriation Reserves	A-10	36-38
Statement of Local School Tax Payable	A-11	38
Statement of State & Federal Grants Receivable	A-12	39
Schedule of State & Federal Grants – Unappropriated	A-13	39
Schedule of Federal & State Grants – Appropriated	A-14	40

	<u>EXHIBITS</u>	<u>PAGE</u>
Supplementary Schedules: (continued)		
<u>Trust Fund</u>		
Statement of Cash – Treasurer/Collector	B-1	41-42
Statement of Reserve for Dog Fund Expenditures	B-2	42
Statement of Deposits for Redemption of Tax Sale Certificates	B-3	43
Statement of Reserve for Recreation Expenditures	B-4	43
Statement of Reserve for Tax Sale Premiums	B-5	44
Statement of Reserve for Planning Board Review and Inspection Fees	B-6	44
Statement of Reserve for Special Law Enforcement	B-7	45
Statement of Reserve for Parking Offense Adjudication Act Funds	B-8	45
Statement of Tax Title Lien Redemption	B-9	46
Statement of Public Defender	B-10	46
Statement of Reserve for Restitution	B-11	47
Statement of Reserve for Open Space	B-12	47
Statement of Bicycle Patrol Fund	B-13	47
Statement of Reserve for Trees Fund	B-14	48
Statement of Reserve for Off-Duty Police Fund	B-15	48
Statement of Reserve for Train Station	B-16	49
Statement of Reserve for Police Equipment Project	B-17	49
Statement of Reserve for Affordable Housing for the Year ended December 31, 2012	B-18	49
<u>General Capital Fund</u>		
Analysis of General Capital Cash & Investments	C-2	50
Statement of Deferred Charges to Future Taxation – Unfunded	C-3	51
Statement of Capital Improvement Fund	C-4	52
Statement of Improvement Authorizations	C-5	53
Statement of Bonds & Notes Authorized But Not Issued	C-6	54
Schedule of General Serial Bonds	C-7	55
Statement of Bond Anticipation Notes	C-8	56
Summary of Municipal Debt		57
Comparative Statement of Operations & Change in Fund Balance – Current Fund		58
Comparison of Tax Levies and Collection Currently		59
Property Acquired by Tax Title Lien Liquidation		60
<u>Officials in Office</u>		61

PART II

General Comments and Findings:		
General Comments		62
Collection of Interest on Delinquent Taxes		63
Findings		64
Prior Year Findings		65
Acknowledgment		65

TOWNSHIP OF EDGEWATER PARK

PART I

**REPORT OF AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA**

YEAR ENDED DECEMBER, 31 2012

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
400 Delanco Road
County of Burlington
Edgewater Park, New Jersey 08010

I have audited the accompanying regulatory basis financial statements of each fund of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the fiscal 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 accounting principles and 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 Local Finance Board, Department of Community Affairs, State of New Jersey. This includes 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and 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 Local Finance Board, Department of Community Affairs, State of New Jersey. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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

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

Adverse Opinion on U.S. generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion of U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2012 or the results of operations of such funds and changes in funds balances for the years then ended.

Opinion on Regulatory Basis of Accounting

In my opinion, the regulatory basis financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2012, and the results of operations of such funds and changes in fund balances for the year then ended in conformity with the basis of accounting described in the Note 1.

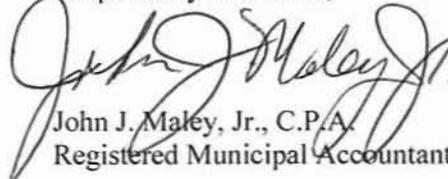
Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 my opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated June 28, 2013 on my consideration of the Township of 's internal control over financial reporting and my 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 my 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 Edgewater Park's internal control over financial reporting and compliance.

Respectfully submitted,



John J. Maley, Jr., C.P.A.
Registered Municipal Accountant No. 218

June 28, 2013

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

I have audited 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2012, and related notes to the financial statements, which collectively comprise the Township of Edgewater Park's financial statements, and have issued my report thereon dated June 28, 2013. In my report my opinion was adverse because the financial statements were prepared on a comprehensive basis of accounting other than generally accepted accounting principles. My opinion on the regulatory basis financial statements was unmodified.

Internal Control Over Financial Reporting

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

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying General Comments section, I identified certain deficiencies in internal control that I consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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. I consider the deficiency described in the accompanying General Comments section as Finding 2012-01 to be a material weakness.

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. I consider the deficiencies described in the accompanying General Comments section as finding 2012-02 and 2012-03 to be a significant deficiencies.

Compliance and Other Matters

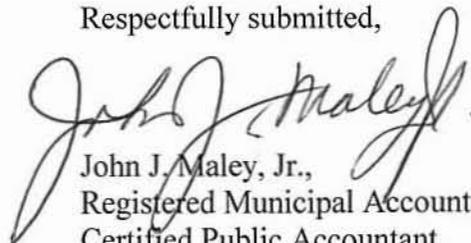
As part of obtaining reasonable assurance about whether the Township of Edgewater Park statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2012-03.

The Township of Edgewater Park's response to the finding identified in my audit is described in the accompanying schedule of findings and responses. I did not audit the Township of Edgewater Park's responses and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



John J. Maley, Jr.,
Registered Municipal Accountant No. 218
Certified Public Accountant

June 28, 2013

TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON

BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2012 AND 2011**

ASSETS	REFERENCE	2012	2011
Regular Fund:			
Cash:			
Treasurer	A-4	\$2,713,701	2,941,573
Collector	A-3	142,748	140,559
Change Fund		250	250
		<hr/>	<hr/>
Total Regular Fund		2,856,699	3,082,382
		<hr/>	<hr/>
Due from State of New Jersey for Senior Citizen & Veteran Deductions		54,165	51,856
		<hr/>	<hr/>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	236,358	333,450
Tax Title Liens Receivable	A-6	4,809	3,508
Property Acquired for Taxes - Assessed Valuation	A-7	3,094,800	3,094,800
Revenue Accounts Receivable	A-8	10,925	14,049
Interfunds Receivable:			
Due From Animal Control Fund		55	55
Due From Payroll Fund	B	14,878	1,928
		<hr/>	<hr/>
Total Receivables & Other Assets With Full Reserves		3,361,825	3,447,790
		<hr/>	<hr/>
Deferred Charges To Future Taxation:			
Special Emergency Authorizations	A-9	73,200	113,200
Overexpenditure of Appropriations	A-3	1,291	
		<hr/>	<hr/>
Total Deferred Charges		74,491	113,200
		<hr/>	<hr/>
Subtotal		6,347,180	6,695,228
		<hr/>	<hr/>
Federal & State Grant Fund:			
Cash	A-4	99,309	87,984
Federal & State Aid Receivable	A-12	2,149	2,149
		<hr/>	<hr/>
Total Federal & State Grant Fund		101,458	90,133
		<hr/>	<hr/>
Total Assets		<u>\$6,448,638</u>	<u>6,785,361</u>

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

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2012 AND 2011**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2012	2011
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$545,699	536,031
Reserve for Encumbrances	A-3	104,760	144,421
Prepaid Taxes		90,031	78,845
Tax Overpayments		146	8,924
Due County for Added & Omitted Taxes		3,819	27
Due Local School District Taxes Payable	A	38,859	
Special Emergency Notes Payable	A	64,320	104,320
Interfunds Payable - Due to Trust:			
Other Funds	B	233,536	258,752
Interfunds Payable - Due to Capital Fund	C	446,112	1,059,485
Reserve for Revaluation Program	A	13,999	13,999
Reserve for Homeland Security Aid	A	50,000	50,000
		<hr/>	<hr/>
Total Liabilities		1,591,281	2,254,804
		<hr/>	<hr/>
Reserves for Receivables & Other Assets	A	3,361,825	3,447,790
Fund Balance	A-1	1,394,074	992,634
		<hr/>	<hr/>
Subtotal		6,347,180	6,695,228
		<hr/>	<hr/>
Federal & State Grant Fund:			
Unappropriated Reserves	A-13	17,382	19,594
Appropriated Reserves	A-14	84,076	70,539
		<hr/>	<hr/>
Total Federal & State Grant Fund		101,458	90,133
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$6,448,638	6,785,361
		<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
Revenue & Other Income Realized:		
Fund Balance Utilized	\$418,000	256,000
Miscellaneous Revenue Anticipated	1,114,559	1,206,813
Receipts From Delinquent Taxes	325,662	378,878
Receipts From Current Taxes	14,103,311	14,020,034
Nonbudget Revenue	70,837	65,866
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	435,130	516,007
Statutory Excess from Animal Control		483
Interfund Liquidated	62,218	9,794
	<hr/>	<hr/>
Total Revenue & Other Income Realized	16,529,717	16,453,875
	<hr/>	<hr/>
Expenditures:		
Budget & Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,999,765	1,985,735
Other Expenses	1,856,581	1,775,425
Deferred Charges & Statutory Expenditures	471,564	497,280
Operations Excluded From "CAPS":		
Other Expenses	323,705	306,391
Capital Improvements	50,000	28,500
Municipal Debt Service	497,702	420,827
Deferred Charges & Statutory Expenditures	40,000	40,000
County Taxes	2,213,307	2,357,639
Due County for Added & Omitted	3,819	27
Local District School Tax	7,849,518	7,865,978
Special Fire District Taxes	322,434	316,098
Open Space Tax	61,317	62,215
Interfund Created		
Refund of Prior Year Revenue	21,856	19,557
	<hr/>	<hr/>
Total Expenditures	15,711,568	15,675,672
	<hr/>	<hr/>
Excess in Revenue to Fund Balance	818,149	778,203
	<hr/>	<hr/>
Adjustments to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	1,291	
	<hr/>	<hr/>
Statutory Excess to Fund Balance	819,440	778,203
	<hr/>	<hr/>
Fund Balance - Balance January 1	992,634	470,431
Decreased by: Utilization as Anticipated Revenue	418,000	256,000
	<hr/>	<hr/>
Balance December 31, 2012	<u>\$1,394,074</u>	<u>992,634</u>

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

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	ANTICIPATED BUDGET	SPECIAL N.J.S.40:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$418,000		418,000	
Miscellaneous Revenues:				
Licenses - Alcoholic Beverages	8,000		8,000	
Other Fees & Permits	7,570		10,963	3,393
Municipal Court Fines & Costs	75,000		90,821	15,821
Cable TV Fees	26,000		26,480	480
Interest & Costs on Taxes	58,037		70,259	12,222
Interest on Investments & Deposits	25,000		15,725	(9,275)
Consolidated Municipal Property Tax Relief	81,677		81,677	
Energy Receipts Tax	594,362		594,362	
Uniform Construction Code Fees	55,354		85,829	30,475
Recycling Tonnage Grant	18,154		18,154	
Clean Communities Grant		13,604	13,604	
Body Armor Replacement Program	1,437		1,437	
Burlington Coat Factory Agreement	97,238		97,248	10
Total	1,047,829	13,604	1,114,559	53,126
Receipts from Delinquent Taxes	255,162		325,662	70,500
Amount to be Raised by Support of Municipal Budget	3,886,695		4,035,382	148,687
Budget Totals	5,607,686	13,604	5,893,603	272,313
Nonbudget Revenues			70,837	
Total	\$5,607,686	13,604	5,964,440	

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

**TOWNSHIP OF EDGEWATER PARK
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	\$14,103,311
Allocated to School, County & Fire District Taxes	<u>10,450,395</u>
Balance for Support of Municipal Budget Appropriations	3,652,916
Increased by Appropriation - Reserve for Uncollected Taxes	<u>382,466</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$4,035,382</u></u>
Receipts from Delinquent Taxes:	
Taxes Receivable	<u>\$325,662</u>
Total	<u><u>\$325,662</u></u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenues Not Anticipated:	
Reimbursements	\$51,459
Snow Removal	3,174
SC\Vet Reimbursement	2,458
Miscellaneous	<u>13,746</u>
Total	<u><u>\$70,837</u></u>

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

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

OPERATIONS	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
General Government:						
Administrative & Executive:						
Salaries and Wages	\$53,000	53,000	28,969	24,031		
Other Expenses	72,750	72,750	46,512	26,238		
Township Committee:						
Salaries and Wages	14,875	14,875	13,375	1,500		
Other Expenses	4,500	4,500	1,313	3,187		
Municipal Clerk:						
Salaries and Wages	80,250	80,250	70,578	9,672		
Other Expenses	27,250	27,250	10,493	16,757		
Financial Administration:						
Salaries and Wages	53,000	53,000	46,945	6,055		
Other Expenses	12,900	12,900	7,087	5,813		
Audit Services	29,600	29,600	29,600			
Revenue Administration (Tax Collection):						
Salaries and Wages	60,000	60,000	59,225	775		
Other Expenses	12,700	12,700	11,381	1,319		
Assessment of Taxes:						
Salaries and Wages	10,000	10,000	9,500	500		
Other Expenses	6,500	6,500	6,141	359		
Legal Services & Costs:						
Other Expenses	72,500	72,500	44,950	27,550		
Engineering Services & Costs:						
Other Expenses	25,000	25,000	21,474	3,526		
Economic Development Committee:						
Other Expenses	1,000	1,000		1,000		
Municipal Land Use Law (N.J.S.40:55D-1):						
Planning Board:						
Salaries and Wages	2,100	2,100	2,100			
Other Expenses	5,000	5,000	3,920	1,080		
Insurance:						
Unemployment Compensation Insurance	8,000	8,000	6,356	1,644		
Liability Insurance	136,970	136,970	103,261	33,709		
Workers Compensation	101,970	101,970	103,261			1,291
Employee Group Insurance	460,000	460,000	419,254	40,746		
Public Safety:						
Police:						
Salaries & Wages	1,234,000	1,234,000	1,159,900	74,100		
Other Expenses	105,750	105,750	97,184	8,566		
Office of Emergency Management:						
Other Expenses	1,000	1,000	1,000			
Municipal Prosecutor:						
Other Expenses	13,500	13,500	13,500			
Public Works Functions:						
Streets & Road Maintenance:						
Salaries & Wages	265,000	265,000	247,358	17,642		
Other Expenses	65,000	65,000	51,137	13,863		
Solid Waste Collection:						
Salaries & Wages	5,000	5,000	4,808	192		
Other Expenses	330,000	330,000	287,237	42,763		
Public Buildings & Grounds:						
Other Expenses	27,500	27,500	24,961	2,539		

TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
Health & Welfare:						
Board of Health:						
Salaries and Wages	3,340	3,340	3,317	23		
Other Expenses	1,500	1,500	639	861		
Animal Control Services:						
Other Expenses	5,750	5,750	5,750			
Park & Recreation Functions:						
Recreation Services & Programs:						
Other Expenses	7,400	7,400	5,794	1,606		
Maintenance of Parks:						
Other Expenses	4,300	4,300	1,568	2,732		
Uniform Construction Code - Offset by Dedicated Revenues (N.J.A.C.5:23-4.17):						
Construction Code Official:						
Building Inspector:						
Salaries and Wages	80,000	80,000	69,242	10,758		
Other Expenses	13,800	13,800	9,051	4,749		
Sub-Code Officials:						
Plumbing Inspector:						
Salaries and Wages	6,500	6,500	5,162	1,338		
Electrical Inspector:						
Salaries and Wages	6,500	6,500	5,742	758		
Fire Protection Inspector:						
Salaries and Wages	6,500	6,500	5,568	932		
Utility Expenses & Bulk Purchase:						
Electricity	45,000	45,000	28,596	16,404		
Street Lighting	83,500	83,500	78,078	5,422		
Telephone	22,500	22,500	20,532	1,968		
Water	3,000	3,000	1,469	1,531		
Fuel Oil	15,000	15,000	5,423	9,577		
Telecommunications	18,500	18,500	15,108	3,392		
Gasoline	65,000	65,000	63,135	1,865		
Municipal Court:						
Municipal Court:						
Salaries and Wages	119,700	119,700	111,836	7,864		
Other Expenses	14,500	14,500	9,733	4,767		
Unclassified:						
Storm Water Sewers:						
Other Expenses	25,000	25,000	22,203	2,797		
Environmental Commission (N.J.S.40:56-1 et. seq.):						
Other Expenses	500	500	185	315		
Aid to Providence House	1,500	1,500	140	1,360		
Celebration of Public Events, Anniversary or Holiday:						
Other Expenses	3,500	3,500	318	3,182		
Senior Advisor Committee:						
Other Expenses	250	250		250		
New Letter:						
Other Expenses	5,400	5,400	4,050	1,350		
Total Operations Within "CAPS"	3,855,055	3,855,055	3,405,419	450,927		1,291
Total Operations Including Contingent Within "CAPS"	3,855,055	3,855,055	3,405,419	450,927		1,291

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Within "CAPS"						
Detail:						
Salaries and Wages	1,999,765	1,999,765	1,843,625	156,140		
Other Expenses (Including Contingent)	1,855,290	1,855,290	1,561,794	294,787		1,291
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Contributions to:						
Police & Fire Pension Fund	212,599	212,599	212,599			
Public Employees Retirement System	93,465	93,465	93,465			
FCOA 36-477	500	500		500		
Social Security System (O.A.S.I.)	165,000	165,000	141,522	23,478		
Total Deferred Charges & Statutory Expenditures	471,564	471,564	447,586	23,978		
Total General Appropriations for Municipal Purposes Within "CAPS"	4,326,619	4,326,619	3,853,005	474,905		1,291
Mandated Expenditures Excluded From "CAPS":						
Aid to Library N.J.S.A.40:54-35	2,500	2,500	2,500			
Community Services Act:						
Other Expenses	255,000	255,000	189,261	65,739		
Affordable Housing:						
Other Expenses	30,000	30,000	24,945	5,055		
SFSP Fire District Payment	3,010	3,010	3,010			
Employee Group Insurance Contribution to Police & Fire Pension Fund Contribution to Public Employees Retirement System						
Public and Private Programs Offset by Revenues:						
Recycling Grant	18,154	18,154	18,154			
Body Armor Replacement Program	1,437	1,437	1,437			
Clean Communities Grant		13,604	13,604			
Total Operations Excluded from "CAPS"	310,101	323,705	252,911	70,794		
Detail:						
Other Expenses	310,101	323,705	252,911	70,794		

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Excluded from "CAPS"						
Capital Improvements:						
Capital Improvement Fund	50,000	50,000	50,000			
Total Capital Improvement Excluded "CAPS"	50,000	50,000	50,000			
Municipal Debt Service:						
Payment of Serial Bonds	143,000	143,000	143,000			
Payment of Bond Anticipation Notes	182,000	182,000	182,000			
Interest on Notes	62,800	62,800	62,037		763	
Interest on Serial Bonds	110,700	110,700	110,665		35	
Total Municipal Debt Service	498,500	498,500	497,702		798	
Deferred Charges - Municipal:						
Special Emergency Authorizations	40,000	40,000	40,000			
Total Deferred Charges - Municipal	40,000	40,000	40,000			
Total General Appropriations - Municipal Purposes - Excluded From "CAPS"	898,601	912,205	840,613	70,794	798	
Subtotal General Appropriation Items	5,225,220	5,238,824	4,693,618	545,699	798	1,291
Reserve For Uncollected Taxes	382,466	382,466	382,466			
Total General Appropriations	<u>\$5,607,686</u>	<u>5,621,290</u>	<u>5,076,084</u>	<u>545,699</u>	<u>798</u>	<u>1,291</u>
Budget		\$5,607,686				
Appropriation by 40A:4-87		<u>13,604</u>				
Total		<u>\$5,621,290</u>				
Deferred Charges:						
Special Emergency Authorization			\$40,000			
Due to General Capital Fund			50,000			
Reserve for Uncollected Taxes			382,466			
Federal and State Grant Funds			33,195			
Encumbrances			104,760			
Disbursed			<u>4,465,663</u>			
Total			<u>\$5,076,084</u>			

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

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2012 AND 2011**

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2012</u>	<u>2011</u>
Dog License Fund:			
Cash - Treasurer	B-1	\$13,188	11,483
Total Dog License Fund		13,188	11,483
Other Funds:			
Cash - Treasurer	B-1	181,175	191,287
Cash - Collector	B-1	43,575	51,213
Cash - Payroll		30,078	14,299
Due From Current Fund	A	233,536	258,752
Due From Developers		20,384	6,120
Total Other Funds		508,748	521,671
Total Assets		\$521,936	533,154
 LIABILITIES & RESERVES			
Dog License Fund:			
Due to Current Fund	A	\$55	55
Reserve for Dog Fund Expenditures	B-2	13,133	11,428
Total Dog License Fund		13,188	11,483
Other Funds:			
Due to Capital Fund	C	31,500	31,500
Due to Current Fund	A	14,878	1,928
Payroll Taxes Payable		15,200	12,371
Escrow Deposits	B-6	264,891	229,207
Redemption of Tax Sale Certificates	B-3	3	3
Recreation Expenditures	B-4	8,146	7,793
Reserve for Tax Sale Premiums	B-5	44,900	63,700
Parking Offenses Adjudication Act Trust Fund	B-8	267	267
Special Law Enforcement Trust Fund	B-7	7,920	6,665
Reserve for Tax Title Lien Redemption	B-9	43,575	51,213
Reserve for Public Defender	B-10	3,851	3,341
Reserve for Restitution	B-11	100	100
Reserve for Open Space	B-12	33,227	105,455
Reserve for Bicycle Patrol Fund	B-13	1,995	1,995
Reserve for Trees Fund	B-14	532	532
Reserve for Off-Duty Police	B-15	8,953	3,574
Reserve for Train Station	B-16	795	795
Reserve for Police Equipment Project	B-17	1,232	1,232
Reserve for Affordable Housing	B-18	26,783	
Total Other Funds		508,748	521,671
Total Liabilities & Reserves		\$521,936	533,154

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

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2012 AND 2011**

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2012</u>	<u>2011</u>
Cash & Investments	C-2	\$5,636	5,636
Due from Current Fund	A	446,112	1,059,485
Due from Open Space Trust Fund	B	31,500	31,500
Deferred Charges to Future Taxation:			
Funded		2,123,000	2,266,000
Unfunded	C-3	3,633,079	3,767,424
		<hr/>	<hr/>
Total Assets		<u>\$6,239,327</u>	<u>7,130,045</u>

LIABILITIES, RESERVES & FUND BALANCE

Bond Anticipation Notes	C-8	\$2,183,655	2,698,000
Serial Bonds	C-7	2,123,000	2,266,000
Contracts Payable	C-5	57,208	
Improvement Authorizations:			
Funded	C-5	166,362	164,852
Unfunded	C-5	1,448,436	1,581,400
Capital Improvement Fund	C-4	44,298	14,298
Reserves for:			
Repayment of Bond Anticipation Notes	C-2	65,000	254,127
Fund Balance	C-1	151,368	151,368
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		<u>\$6,239,327</u>	<u>7,130,045</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$1,449,424 and on December 31, 2011 of \$1,069,424.

EXHIBIT C-1

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$151,368</u></u>
------------------------------------	-------------------------

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

**TOWNSHIP OF EDGEWATER PARK
GENERAL FIXED ASSETS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
General Fixed Assets:		
Land	\$1,341,943	\$1,341,943
Buildings & Contents	1,985,071	1,985,071
Vehicles	506,069	418,019
	<hr/>	<hr/>
Total	<u>\$3,833,083</u>	<u>3,745,033</u>
	<hr/> <hr/>	<hr/> <hr/>
 Total Investment in General Fixed Assets	 <u>\$3,833,083</u>	 <u>3,745,033</u>

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

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of the Township of Edgewater Park, County of Burlington, New Jersey (“the Township”), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by *N.J.S.A.40A:5-5*. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

B. Descriptions of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Such principles and practices 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. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for government 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 – accounts for receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund – the Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the township pursuant to Title 44 of New Jersey statutes.

C. Basis of Accounting

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 1. Summary of Significant Accounting Policies (continued):

December 31, are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled 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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – 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 balance sheets.

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain (“infrastructure”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 1. Summary of Significant Accounting Policies (continued):

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

Budgets - the Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10th of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Note 2. Cash and Cash Equivalents and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2012, and reported at fair value are as follows:

Type	Maturities	Carrying Value
Deposits:		
Demand Deposits	N/A	\$2,431,527
Certificates of Deposits	4/3/2013	543,310
Certificates of Deposits	6/21/2013	<u>254,823</u>
Total Deposits		<u>\$3,229,660</u>

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 2. Cash and Cash Equivalents and Investments (continued):

Reconciliation of Statement of Comparative Balance Sheets:

Current	\$2,856,699
Dog Trust	13,188
Other Trust	224,750
General Capital	5,636
State and Federal Grants	99,309
Payroll	<u>30,078</u>
Total Reconciliation of Comparative Balance Sheets	<u>\$3,229,660</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$4,020,576 at December 31, 2012. Of the bank balance \$506,254 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$3,514,322 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2012, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 2. Cash and Cash Equivalents and Investments (continued):

- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2012 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the

Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 4. Debt (continued):

A. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding year's equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2012 was \$5,691,079. The Township's remaining borrowing power is \$15,065,874.

The summary of municipal debt for the last three years and the calculation of statutory net debt are presented in the Supplementary Data section of this report.

B. Pooled Loan Revenue Bonds

In December of 2003, the Township entered into a lease and agreement with the Burlington County Bridge Commission ("Commission"). This agreement provides the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2003 Governmental Leasing Program). The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 150,000	\$ 103,516	\$ 253,516
2014	158,000	96,016	254,016
2015	165,000	88,116	253,116
2016	174,000	79,866	253,866
2017	182,000	71,166	253,166
2018-2022	1,056,000	209,782	1,265,782
2023	<u>238,000</u>	<u>10,710</u>	<u>248,710</u>
Total	<u>\$2,123,000</u>	<u>\$ 659,172</u>	<u>\$2,782,172</u>

C. Special Emergency Note

A special emergency note was originally authorized in 2009 to fund the revaluation program amounting to \$193,200. The balance of the note was issued July 8, 2012 for \$64,320, maturing July 5, 2013 with interest at 2.5%. The note will be paid in not less than four annual installments.

Note 5. Lease Obligations

At December 31, 2012, the Township had lease agreements in effect for the following:

Operating:

Three Taskalfa Copiers

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 5. Lease Obligations (continued):

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

<u>Year</u>	<u>Amount</u>
2013	\$ 5,636
2014	5,636
2015	<u>4,227</u>
Total minimum Lease Payments	<u>\$15,499</u>

Rental payments under operating leases for the year 2012 were \$5,636.

Capital Leases – Future minimum rental payments under a capital lease agreement for a public work vehicle and two police vehicles as follows:

<u>Year</u>	<u>Amount</u>
2013	\$44,312
2014	44,312
2015	<u>13,930</u>
Total Minimum Lease Payments	102,554
Less: Amount Representing Interest	<u>8,842</u>
Present Value of Net Minimum Lease Payments	<u>\$93,712</u>

Lease payments under Capital leases for the year 2012 were \$44,312.

Note 6. Compensated Absences

Full-time employees are entitled to sick leave and vacation days each year in accordance with the current union contracts. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township of Edgewater Park compensates employees for all unused vacation days upon termination or retirement. The current policy also provides for the payment of 75% of unused sick leave accumulated at the rate of pay upon termination or retirement.

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 6. Compensated Absences (continued):

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 \$337,714.

Note 7. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Program in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The program is offered by the Township through two program administrators, PEBSCO & Equitable. The investment fund balance of the program as of December 31, 2012 is \$189,142. The programs, available to all full time employees at their option, permit 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.

All amounts of compensation deferred under the Plan and all income attributed to those amounts are the exclusive property of the Township of Edgewater Park, subject to the claims of the general creditors of the Township. Participants' rights under the plan are equal to those of a general creditor of the Township in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Township would use plan assets to satisfy claims of the general creditors in the future.

Certain provisions of the Job Protection Act of 1997 affect the Plan. Commencing on January 1, 1999, 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. On September 3, 1997, the State of New Jersey implemented new regulations that require all new plans to be in compliance with the provisions of the Act. Since the Township's plan was adopted before August 20, 1996, the date the Act was signed into law, the Township has until January 1, 1999 to amend the plan or adopt a new one that complies with the Act and State regulations.

The Township assumes no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

Note 8. Pension

A. Plan Description

The Township of Edgewater Park contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 8. Pension (continued):

of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. 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, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 6.5% of their annual covered salary for P.E.R.S through June 30, 2012 and 6.5% thereafter, 10% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately 4.94% for P.E.R.S. and 11.23% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Edgewater Park are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2012, 2011 and 2010 were \$93,465, \$90,630 and \$79,004, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2012, 2011 and 2010 were \$212,599, \$223,301 and \$197,200, respectively, equal to the required contributions for each year.

Note 9. Assessments and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Regional School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the "Collector") on or before May 13th.

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 9. Assessments and Collection of Property Taxes (continued):

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The NJ Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

Note 10. Deferred Charges to be Raised in Succeeding Budgets

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

	Balance December 31, <u>2011</u>	Created During <u>2012</u>	<u>2012 Budget</u> Appropriation	<u>Succeeding</u> Years
Current Fund:				
Emergency Appropriation	\$113,200	-	\$40,000	\$73,200

The Appropriations in the 2012 Budget are not less than required by statute.

Note 11. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required PERS, to fund post-retirement medical benefits for those State employees who retire after reaching 60 and accumulating 25 years of credited service. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the PERS system. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees. As of June 30, 2010, there were 72,874 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 11. Post-Retirement Benefits (continued):

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and TPAF. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

State Health Benefits Plan Description

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, The Township of Edgewater Park authorized participation in the SHBP's post-retirement benefit program through resolution number 165-2002 on October 23, 2002. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2011 Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-aug2011.pdf.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to Edgewater Park Township on a monthly basis. As a participating employer the Authority will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of chapter 75, Public Laws of 1972.

The Township of Edgewater Park contributions to SHBP for the years ended December 31, 2012, 2011, and 2010, were \$29,485, \$39,787, and \$55,523 respectively, which equaled the required contributions for

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 11. Post-Retirement Benefits (continued):

each year. There were three retired participants eligible at December 31, 2012 and 2011 and four participants for 2010.

Note 12. Capital Assets

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2012:

	Balance December 31, <u>2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2012</u>
Land & Buildings	\$1,341,943			\$1,341,943
Building	1,985,071			1,985,071
Vehicles	418,019	\$ 88,050		506,069
Total	<u>\$3,745,033</u>	<u>\$ 88,050</u>		<u>\$3,833,083</u>

Note 13. Joint Insurance Pool

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

Workers' Compensation and Employer's Liability
 Liability Other Than Motor Vehicles
 Property Damage Other Than Motor Vehicles
 Motor Vehicles

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

The 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

TOWNSHIP OF EDGEWATER PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Note 14. Fund Balance

Fund balance as of December 31, 2012 is \$1,394,074, \$433,000 of which is appropriated in the introduced budget for 2013.

Note 15. Interfunds

The following interfunds remained as of December 31, 2012:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
Current Fund	\$ 14,933	\$ 679,648
Animal Control		55
Trust Other	233,536	31,500
General Capital	477,612	
Payroll Fund	<u> </u>	<u>14,878</u>
Total	<u>\$ 726,081</u>	<u>\$ 726,081</u>

The purpose of these interfunds are short-term borrowings.

Note 16. Subsequent Events

In February 2013 the Township of Edgewater Park joined with the County of Burlington and seven other Burlington County communities to advance refund portions of the Burlington County Bridge Commission's Series 2003 and 2004 Pooled Loan program bonds, raise new money capital and refinance outstanding USDA loans. The Township's participation involves refunding \$1,973,000 in bonds which is the Township's portion of the Commission's Series 2003 Bonds. As a result of Edgewater Park's participation in the BCBC County Guaranteed Pooled Loan Revenue Bonds, Series 2013A the Township will have a debt service savings of \$302,711.

TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON

SUPPLEMENTARY DATA

FOR THE YEAR ENDED DECEMBER 31, 2012

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2012**

	CURRENT FUND	FEDERAL & STATE GRANT FUND
Balance December 31, 2011	\$2,941,573	\$87,984
Increased by Receipts:		
Receipts from Collector	\$14,530,094	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	118,148	
Revenue Accounts Receivable	913,857	
Petty Cash	100	
Miscellaneous Revenue Not Anticipated	70,837	
Due From General Capital Fund	143,217	
Refunds - Contra	14,304	
Due From Trust Other Fund	263,313	
Due From Animal Control Fund	5,435	
Due From Current Fund		
State & Federal Grants Receivable		13,604
State & Federal Grant Fund - Unappropriated		17,379
State & Federal Grant Fund - Township Share		
	16,059,305	30,983
Total		
Subtotal	19,000,878	118,967
Decreased by Disbursements:		
2012 Appropriations	4,465,663	
2011 Appropriation Reserve	245,322	
County Taxes	2,213,334	
Local District School Taxes	7,810,659	
Fire District Taxes	322,434	
Due to Other Trust Fund	263,313	
Due to Open Space Other Trust Fund	61,317	
Due to Dog Trust Fund	5,435	
Due to Capital Fund	806,589	
Refunds - Contra	14,304	
Special Emergency Note	40,000	
Petty Cash	100	
Refund of Prior Year Revenue	21,856	
Tax Overpayments	16,851	
Reserve for Federal & State Grant Funds - Appropriated		19,658
	16,287,177	19,658
Total Disbursements		
Balance December 31, 2012	\$2,713,701	\$99,309

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF CURRENT CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2010		\$140,559
Increased by Receipts:		
Interest & Cost on Taxes	\$70,259	
Taxes Receivable	14,220,966	
Prepaid Taxes	90,031	
Interest Earnings	2,681	
Due to Other Trust(Tax Sale Premium)	37,000	
Payment In-Lieu of Tax	97,248	
Due from Clerk	25	
Tax Overpayments	16,779	14,534,989
Subtotal		14,675,548
Decreased by Disbursements:		
Payments to Treasurer	14,530,094	
Due to Clerk	25	
Due to Current	2,681	14,532,800
Balance December 31, 2011		\$142,748

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2012**

YEAR	BALANCE	2012 LEVY	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVER- PAYMENTS APPLIED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE
	DECEMBER 31, 2011		2011	2012					DECEMBER 31, 2012
2006	\$684			333				351	
2007	\$667			667					
2008	900			900					
2009	7,708			6,573				1,135	
2010	14,381			8,079				6,302	
2011	309,110			309,110					
Total	333,450			325,662				7,788	
2012		14,364,324	78,845	13,895,304	120,456	8,706	31,142	1,301	228,570
Total	\$333,450	14,364,324	78,845	14,220,966	120,456	8,706	31,142	1,301	236,358

Cash Receipts \$14,220,966

Total \$14,220,966

ANALYSIS OF 2011 PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$14,333,271
Added Taxes (54:4-63.1 et seq)	<u>31,053</u>
Total	<u>\$14,364,324</u>
Tax Levy:	
Local District School Tax (Abstract)	\$7,849,518
Open Space	61,317
Fire District Tax (Abstract)	322,434
County Taxes:	
County Tax (Abstract)	\$1,803,517
County Open Space Tax (Abstract)	233,359
County Library Tax (Abstract)	176,431
Due County for Added & Omitted Taxes	<u>3,819</u> 2,217,126
Local Tax For Municipal Purposes	3,886,695
Add: Additional Tax Levy	<u>27,234</u> 3,913,929
Total Levy	<u>\$14,364,324</u>

EXHIBIT A-6

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$3,508
Increased by:	
Transfer From Taxes Receivable - 2012	<u>1,301</u>
Balance December 31, 2012	<u><u>4,809</u></u>

EXHIBIT A-7

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$3,094,800</u></u>
------------------------------------	---------------------------

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2012**

	BALANCE DECEMBER 31, <u>2011</u>	ACCRUED IN <u>2012</u>	COLLECTED BY <u>TREASURER</u>	COLLECTED BY TAX <u>COLLECTOR</u>	RECEIVABLE DECEMBER 31, <u>2012</u>
Municipal Clerk:					
Licenses:					
Alcoholic Beverages		8,000	8,000		
Interest Earned on Deposits		15,725	15,725		
Burlington Coat Factory Agreement		97,248		97,248	
Fees & Permits Other	\$144	14,245	10,963		3,426
Construction Code Official:					
Fees & Permits	9,852	79,855	85,829		3,878
Municipal Court:					
Fines & Fees	\$4,053	90,389	90,821		3,621
Cable Television Fees		26,480	26,480		
Energy Receipts Tax		594,362	594,362		
Consolidated Municipal Property Tax Relief		81,677	81,677		
Total	\$14,049	1,007,981	913,857	97,248	10,925

**STATEMENT OF DEFERRED CHARGES - N.J.S.40A:55-53
SPECIAL EMERGENCY AUTHORIZATION
FOR THE YEAR ENDED DECEMBER 31, 2012**

DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2011	AUTHORIZED IN 2010	RAISED IN 2011 BUDGET	BALANCE DECEMBER 31, 2011
9/12/08	Tax Maps	16,000	3,200	\$6,400		\$3,200	3,200
10/06/09	Revaluation	180,400	36,080	\$106,800		\$36,800	70,000
	Total			\$113,200		40,000	73,200

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2011 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>OPERATIONS</u>	BALANCE DECEMBER 31, <u>2011</u>	BALANCE AFTER <u>TRANSFERS</u>	<u>DISBURSED</u>	<u>BALANCE LAPSED</u>
General Government:				
Administrative & Executive:				
Salaries and Wages	\$27,000	27,000	7,966	19,034
Other Expenses	15,237	10,237	9,257	980
Township Committee:				
Salaries and Wages	1,500	1,500		1,500
Other Expenses	177	177	50	127
Municipal Clerk:				
Salaries and Wages	6,428	6,428		6,428
Other Expenses	7,807	7,807	1,534	6,273
Financial Administration:				
Salaries and Wages	7,722	7,722		7,722
Other Expenses	2,229	2,229	1,886	343
Audit Services	100	100		100
Assessment of Taxes:				
Salaries and Wages	8,018	8,018		8,018
Other Expenses	3,753	3,753	2,432	1,321
Collection of Taxes:				
Salaries and Wages	5,023	5,023		5,023
Other Expenses	944	944	574	370
Engineering Services & Costs:				
Other Expenses	1,096	6,096	940	5,156
Legal Services & Costs:				
Other Expenses	25,334	25,334	67	25,267
Economic Development Committee:				
Other Expenses	1,000	1,000		1,000
Municipal Land Use Law (N.J.S.A.40:55D-1):				
Planning Board:				
Salaries and Wages	500	500		500
Other Expenses	1,367	1,367	548	819
Unemployment Compensation				
Insurance	1,238	1,238	442	796
Liability Insurance	3,900	3,900		3,900
Workers Compensation	3,900	3,900		3,900
Employee Group Insurance	93,397	93,397	55,499	37,898
Public Safety:				
Police:				
Salaries and Wages	77,693	72,693	2,981	69,712
Other Expenses	64,310	64,310	22,091	42,219
Office of Emergency Management:				
Other Expenses	84	84		84
Municipal Prosecutor:				
Other Expenses	8,000	8,000		8,000
Streets & Roads:				
Road Repairs & Maintenance:				
Salaries and Wages	31,408	31,408		31,408
Other Expenses	24,018	24,018	21,999	2,019
Solid Waste Collection:				
Salaries and Wages	22	22		22
Other Expenses	29,970	29,970	28,358	1,612
Public Buildings & Grounds:				
Other Expenses	2,476	2,476	1,501	975

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2011 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>OPERATIONS</u>	BALANCE DECEMBER 31, <u>2010</u>	BALANCE AFTER <u>TRANSFERS</u>	<u>DISBURSED</u>	BALANCE <u>LAPSED</u>
Health & Welfare:				
Public Health Services:				
Salaries and Wages	167	167		167
Other Expenses	62	62	50	12
Parks & Recreation:				
Recreation Services & Programs:				
Other Expenses	2,001	2,001		2,001
Maintenance of Parks:				
Other Expenses	1,929	1,929	270	1,659
Utility Expenses & Bulk Purchases:				
Electricity	27,072	27,072	3,009	24,063
Street Lighting	22,502	22,502	16,213	6,289
Telephone	9,355	9,355	3,251	6,104
Water	2,584	2,584	1,437	1,147
Fuel Oil	10,667	10,667	936	9,731
Telecommunications	3,258	3,258	1,310	1,948
Gasoline	7,361	12,361	11,435	926
Municipal Court:				
Salaries and Wages	13,072	13,072		13,072
Other Expenses	3,241	3,241	894	2,347
Unclassified:				
Storm Water Sewers	1,400	1,400		1,400
Environmental Commission Celebration of Public Events, Anniversary or Holiday	3,293	3,293	189	3,104
News Letter	1,350	1,350	1,350	
Social Security System	27,283	27,283	773	26,510
DCRP	500	500		500
Construction Code Official: Other Expenses	10,135	10,135	6,399	3,736
Health & Welfare:				
Construction Code Official: Building Inspector:				
Salaries and Wages	20,317	20,317		20,317
Electrical Inspector:				
Salaries and Wages	874	874		874
Fire Inspector:				
Salaries and Wages	468	468		468
Plumbing Inspector:				
Salaries and Wages	584	584		584
<hr/>				
Total General Appropriations for Municipal Purposes - Within "CAPS"	625,126	625,126	205,641	419,485

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
STATEMENT OF 2011 APPROPRIATION RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>OPERATIONS - EXCLUDED FROM "CAPS":</u>	BALANCE DECEMBER 31, <u>2010</u>	BALANCE AFTER <u>TRANSFERS</u>	<u>DISBURSED</u>	BALANCE <u>LAPSED</u>
Operations Excluded From "CAPS"				
Aid to Providence House	1,500	1,500	350	1,150
Community Services Act	41,407	41,407	37,715	3,692
Affordable Housing	8,919	8,919	1,616	7,303
Drainage Improvements	3,500	3,500		3,500
	<hr/>	<hr/>		<hr/>
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	55,326	55,326	39,681	15,645
	<hr/>	<hr/>		<hr/>
Total General Appropriations	\$680,452	680,452	245,322	435,130
	<hr/> <hr/>	<hr/> <hr/>		<hr/> <hr/>
Appropriation Reserves	\$536,031			
Encumbrances Payable	144,421			
Cash Disbursements			<hr/>	
			245,322	
Total	<hr/> <hr/>		<hr/> <hr/>	
	\$680,452		245,322	

**STATEMENT OF LOCAL SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011: School Taxes Payable	\$ -
Increased by: Levy Calendar Year 2012	<hr/>
	7,641,340
Subtotal	7,641,340
Decreased by: Payments	<hr/>
	7,641,340
Balance December 31, 2012: School Taxes Payable	<hr/> <hr/>
	\$ -

**TOWNSHIP OF EDGEWATER PARK
FEDERAL AND STATE GRANT FUND
STATEMENT OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>PROGRAM</u>	BALANCE DECEMBER 31, <u>2011</u>	2012 <u>REVENUE</u>	<u>RECEIPTS</u>	<u>CANCELLED</u>	BALANCE DECEMBER 31, <u>2012</u>
State Grants:					
Alcohol Education & Rehabilitation Management Plan	150 1,999				150 1,999
Clean Communities Grant Over the Limit		13,604	13,604		
Body Armor Replacement Program		1,437	1,437		
Recycling Tonnage Grant		18,154	18,154		
Bullet Proof Vest Program					
Total State Grants	\$2,149	33,195	33,195		2,149
Cash Unappropriated			\$13,604 19,591		
			<u>\$33,195</u>		

**SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>PROGRAM</u>	BALANCE DECEMBER 31 <u>2011</u>	GRANTS <u>RECEIVED</u>	REVENUE IN 2012 <u>BUDGET</u>	BALANCE DECEMBER 31, <u>2012</u>
Federal & State Grants:				
Recycling Grant	\$18,153	16,003	18,154	16,002
Body Armor Fund	1,439	1,376	1,437	1,378
Clean Communities Grant	1			1
Alcohol Education & Rehabilitation Program	1			1
Total Federal & State Grants	\$19,594	17,379	19,591	17,382

**TOWNSHIP OF EDGEWATER PARK
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>PROGRAM</u>	BALANCE DECEMBER 31, 2011	TRANSFERRED FROM 2012 BUDGET <u>APPROPRIATIONS</u>	<u>EXPENDED</u>	<u>CANCELED</u>	BALANCE DECEMBER 31, 2012
State Grants:					
Clean Communities Grant	\$3,981	13,604	6,280		11,305
Bullet Proof Vest Program					
Drunk Driving Enforcement Grant	3,058				3,058
Recycling Tonnage Grant	35,182	18,154	11,865		41,471
Green Acres Local Tree Management Plan	3,000				3,000
Alcohol Education & Rehabilitation	7,289				7,289
Body Armor Replacement Program	1,603	1,437	1,513		1,527
Storm Water Regulation	7,936				7,936
Domestic Violence Training Program	4,690				4,690
Domestic Violence - 2009	300				300
Green Communities Grant	3,000				3,000
School Safety Program/ Child Identification	500				500
Total State Grants	<u>\$70,539</u>	<u>33,195</u>	<u>19,658</u>		<u>84,076</u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT TRUST CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - TREASURER/COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>DOG LICENSE</u>	<u>OTHER</u>	<u>COLLECTOR</u>	<u>PAYROLL</u>
Balance December 31, 2011	\$11,483	191,287	51,213	14,300
Receipts:				
Due From Dog Registrar	\$7,140			
Payroll Deductions Payable				2,347,284
Reserve for Tax Title Lien			183,479	
Reserve for Escrow Fund Deposits		163,720		
Reserve for Off-Duty Police		17,258		
Reserve for Public Defender		5,010		
Reserve for Open Space		123,892		
Reserve for Affordable Housing		26,783		
Reserve for Special Law Enforcement Fund		1,255		
Reserve for Recreation Expenses		800		
	<u>7,140</u>	<u>338,718</u>	<u>183,479</u>	<u>2,347,284</u>
Total Receipts				
Total Receipts & Balances	<u>18,623</u>	<u>530,005</u>	<u>234,692</u>	<u>2,361,584</u>
Disbursements:				
Expenditures Under N.J.S.A.40:19-15.11	5,435			
Statutory Excess Due to Current Fund				
Payroll Deductions Payable				2,331,506
Planning Board Expenditures		142,300		
Refund of Tax Sale Premium		55,800		
Reserve for Public Defender		4,500		
Reserve for Off-Duty Police		11,879		
Reserve for Open Space		133,904		
Reserve for Recreation Trust		447		
Reserve for Tax Title Liens			191,117	
	<u>5,435</u>	<u>348,830</u>	<u>191,117</u>	<u>2,331,506</u>
Total Disbursements				
Balance December 31, 2012	<u>\$13,188</u>	<u>181,175</u>	<u>43,575</u>	<u>30,078</u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT TRUST CASH AND RECONCILIATION
PER N.J.S.40A:5-5 - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2012**

RECONCILIATION DECEMBER 31, 2012

	<u>DOG LICENSE</u>	<u>OTHER</u>	<u>COLLECTOR</u>	<u>PAYROLL</u>
Balance Per Certification of:				
Beneficial Bank:				
Dog License	\$18,623			
Tax Title Lien Redemption			43,575	
Payroll				68,129
Law Enforcement		7,921		
Open Space		198,631		
Trust Escrow		221,223		
Developer Fees		17,053		
Add: Deposit in Transit		31,500		
Less: Outstanding Checks Per Permanent Record	(5,435)	(295,153)		(38,051)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance December 31, 2012	<u>\$13,188</u>	<u>181,175</u>	<u>43,575</u>	<u>30,078</u>

**STATEMENT OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2012**

EXHIBIT B-2

Balance December 31, 2011	\$11,428
Increased by:	
Dog License Fees - Collected	<u>7,140</u>
Subtotal	18,568
Decreased by:	
Expenditures Under N.J.S.A.4:19-15.11:	<u>5,435</u>
Balance December 31, 2012	<u><u>\$13,133</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2010	\$6,756
2011	<u>6,929</u>
Total	<u><u>\$13,685</u></u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$3</u></u>
------------------------------------	-------------------

**STATEMENT OF RESERVE FOR RECREATION EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$7,793
Increased by:	
Recreation Receipts	<u>800</u>
Subtotal	8,593
Decreased by:	
Recreation Expenditures	<u>447</u>
Balance December 31, 2012	<u><u>\$8,146</u></u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TAX SALE PREMIUMS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$63,700
Increased by:	
Due from Current Fund	\$37,000
	<u>100,700</u>
Decreased by:	
Cash Disbursements - Refunds	55,800
	<u>55,800</u>
Balance December 31, 2012	<u><u>\$44,900</u></u>

**STATEMENT OF RESERVE FOR PLANNING BOARD REVIEW
AND INSPECTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$229,207
Increased by:	
Receipts:	
Interest Earned	\$451
Due from Developers	14,264
Escrow Fund Deposits - Planning Board	163,269
	<u>177,984</u>
Subtotal	407,191
Decreased by:	
Disbursements:	
Current Fund	142,300
	<u>142,300</u>
Balance December 31, 2012	<u><u>\$264,891</u></u>

A permanent record of escrow deposits is on file in the office of the Township Clerk.

EXHIBIT B-7

**TOWNSHIP OF EDGEWATER PARK
STATEMENT OF RESERVE FOR SPECIAL LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011		\$6,665
Increased by:		
Cash Receipts	\$1,236	
Interest Earned	19	1,255
	<hr/>	
Balance December 31, 2012		<u><u>\$7,920</u></u>

EXHIBIT B-8

**STATEMENT OF RESERVE FOR PARKING OFFENSE ADJUDICATION ACT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$267</u></u>
------------------------------------	---------------------

EXHIBIT B-9

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011		\$51,213
Increased by:		
Tax Title Lien Deposits	\$183,390	
Interest Earned	89	183,479
	<hr/>	
Subtotal		234,692
Decreased by:		
Liens Redeemed	191,028	
Interest Transferred to Current Fund	89	191,117
	<hr/>	
Balance December 31, 2012		<u><u>\$43,575</u></u>

EXHIBIT B-10

**STATEMENT OF PUBLIC DEFENDER
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011		\$3,341
Increased by:		
Public Defender Fees		<u>5,010</u>
Subtotal		8,351
Decreased by:		
Public Defender Bills		<u>4,500</u>
Balance December 31, 2012		<u><u>\$3,851</u></u>

EXHIBIT B-11

**TOWNSHIP OF EDGEWATER PARK
STATEMENT OF RESERVE FOR RESTITUTION
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$100</u></u>
------------------------------------	---------------------

EXHIBIT B-12

**STATEMENT OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011		\$105,455
Increased by:		
Due from Current Fund	\$61,317	
Interest Earned	359	61,676
	<u> </u>	<u> </u>
Subtotal		167,131
Decreased by:		
Due to Other Trust Fund	31,500	
Disbursements	102,404	133,904
	<u> </u>	<u> </u>
Balance December 31, 2012		<u><u>\$33,227</u></u>

EXHIBIT B-13

**STATEMENT OF BICYCLE PATROL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$1,995</u></u>
------------------------------------	-----------------------

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TREES FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011 and 2012	<u><u>\$532</u></u>
------------------------------------	---------------------

**STATEMENT OF RESERVE FOR OFF-DUTY POLICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$3,574
Increased by:	
Receipts	<u>17,258</u>
Subtotal	20,832
Decreased by:	
Salary and Wages	<u>11,879</u>
Balance December 31, 2012	<u><u>\$8,953</u></u>

**TOWNSHIP OF EDGEWATER PARK
TRUST FUND
STATEMENT OF RESERVE FOR TRAIN STATION
FOR THE YEAR ENDED DECEMBER 31, 2012**

EXHIBIT B-16

Balance December 31, 2011 and 2012

\$795

**STATEMENT OF RESERVE FOR POLICE EQUIPMENT PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2012**

EXHIBIT B-17

Balance December 31, 2011 and 2012

\$1,232

**STATEMENT OF RESERVE FOR AFFORDABLE HOUSING
FOR THE YEAR ENDED DECEMBER 31, 2012**

EXHIBIT B-18

Balance December 31, 2011

Increased by:
Receipts

\$26,783

Balance December 31, 2011

\$26,783

**ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Fund Balance	\$151,368
Capital Improvement Fund	44,298
Due to/(from) Current Fund	(446,112)
Due to/(from) Open Space Trust Fund	(31,500)
Grant Receivable	65,000
Contracts Payable	57,208
Improvement Authorizations:	
Ordinance Numbers & Descriptions	
08-00 Various Improvements	46,383
15-02 Various Improvements	94,462
20-02 Land Acquisition	(14,168)
07-03 Various Improvements	5,518
09-03 Various Improvements	107,400
09-04 Improvements Along Cooper Street & West Franklin Avenue	46,281
07-04 Drainage Improvements & Equipment	939
19-05 Various Improvements	41,963
10-06 Various Improvements	64,578
08-07, 03-08 Recreation Improvements	16,192
10-07, 02-08 Various Improvements	135,320
04-08 Lincoln Ave Improvements	33,584
09-15 Wieman Field Improvements	(32,950)
04-11 Various Capital Improvements	(359,891)
07-11 Acquisition of Police Vehicles	(40,237)
07-12 Weinmann Field Improvements	20,000
	<hr/>
Total Cash & Investments	<u><u>\$5,636</u></u>

**TOWNSHIP OF EDGEWATER PARK
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	2012 AUTHORIZATIONS	PAID BY BUDGET		BALANCE DECEMBER 31, 2012	ANALYSIS OF BALANCE DECEMBER 31, 2012			UNEXPENDED IMPROVEMENT AUTHORIZATIONS
				APPROPRIATION	OTHER		FINANCED BY BOND ANTICIPATION NOTES	GRANT	EXPENDITURES	
08-00	Various Improvements	\$75				75				75
16-02	Acquisition of Land	153,399				153,399				153,399
20-02	Acquisition of Land	139,000		2,000		137,000	114,000		14,168	8,832
07-04	Various Drainage Improvements & Acquisition of Equipment	278,000		11,000		267,000	267,000			
09-04	Improvements along Cooper St. & West Franklin Ave	425,000		55,000	297,345	72,655	72,655			
09-03/8-06	Various Improvements	97,000		4,000	35,000	58,000	58,000			
19-05	Various Improvements	432,000		21,000		411,000	411,000			
10-06	Various Improvements	368,000		22,000		346,000	346,000			
10-07	Various Improvements	667,200		38,000		629,200	499,000			130,200
08-07, 03-08	Recreation Improvements	217,000		8,000		209,000	209,000			
04-08	Lincoln Ave Improvements	228,000		21,000		207,000	207,000			
09-15	Weiman Field Improvements	158,000				158,000		32,950		125,050
04-11	Various Improvements	557,250				557,250		359,891		197,359
07-11	Acquisition of Police Vehicles	47,500				47,500		40,238		7,262
7-12	Weinmann Field Improvements		380,000			380,000				380,000
Total		\$3,767,424	380,000	182,000	332,345	3,633,079	2,183,655		447,247	1,002,177
Improvement Authorizations - Unfunded										1,448,436
Less: Unexpended Proceeds of Bond Anticipation Issued:										
Ordinance No. 09-03										\$107,400
Ordinance No. 07-04										939
Ordinance No. 09-04										46,282
Ordinance No. 19-05										41,963
Ordinance No. 10-06										64,579
Ordinance No. 08-07, 03-08										16,192
Ordinance No. 10-07, 02-08										135,320
Ordinance No. 04-08										33,584
Total										\$1,002,177

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

Balance December 31, 2011	\$14,298
Increased by:	
Budget Appropriation	50,000
	<u>64,298</u>
Decreased by:	
Down Payment on Bond Ordinances	20,000
	<u>20,000</u>
Balance December 31, 2012	<u><u>\$44,298</u></u>

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2011		2012		PAID OR CHARGED	BALANCE DECEMBER 31, 2012		
		DATE	AMOUNT	FUNDED	UNFUNDED	AUTHORIZATIONS	CANCELLED		FUNDED	UNFUNDED	
08-00	Various Improvements	6/28/00	158,500	47,572	75			1,190	46,382	75	
16-01/15-02	Various Improvements	9/25/02	425,000	94,462					94,462		
16-02	Acquisition of Land	9/25/02	1,400,000		153,399					153,399	
20-02	Acquisition of Land	12/18/02	375,000		8,832					8,832	
07-03	Various Improvements	5/18/03	48,000	5,518					5,518		
09-03	Various Improvements	7/28/03	930,500		107,400					107,400	
07-04	Drainage Improvements & Purchase of Equipment	06/29/04	405,000		939					939	
09-04	Improvements Along Cooper Street & West Franklin Avenue	10/12/04	500,000		46,282					46,282	
19-05	Various Improvements	12/13/05	764,000		41,963					41,963	
10-06	Various Improvements	04/04/06	523,000		64,579					64,579	
08-07/03-08	Recreation Improvements	09/04/07	176,500		16,527			335		16,192	
10-07	Various Improvements	12/04/07	818,200		265,520					265,520	
04-08	Lincoln Ave Improvements	3/04/08	420,000		33,584					33,584	
15-09	Weiman Field Improvements	12/01/09	245,000		125,050					125,050	
4-11	Various Capital Improvements	05/20/11	705,000	14,800	669,750			487,191		197,359	
7-11	Acquisition of Police Vehicles	10/18/11	50,000	2,500	47,500			42,738		7,262	
7-12	Weinmann Field Improvements	9/18/12	400,000			400,000			20,000	380,000	
Total				\$164,852	1,581,400	400,000		531,454	166,362	1,448,436	
								Contracts Payable	57,208		
								Due to Current Fund	474,246		
								Total	531,454		

**TOWNSHIP OF EDGEWATER PARK
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	2011 AUTHORIZATIONS	FUNDED BY BUDGET APPROPRIATION	BOND ANTICIPATION NOTES ISSUED	GRANT	BALANCE DECEMBER 31, 2012
08-00	Various Improvements	\$75					75
16-02	Acquisition of Land	153,399					153,399
07-04	Drainage Improvements & Purchase of Equipment	23,000					23,000
10-07, 02-08	Various Improvements	130,200					130,200
15-09	Wieman Field Improvements	158,000					158,000
4-11	Various Capital Improvements	557,250					557,250
7-11	Acquisition of Police Vehicles	47,500					47,500
07-12	Weinmann Field Improvements		380,000				380,000
	Total	<u>\$1,069,424</u>	<u>380,000</u>				<u>1,449,424</u>

**TOWNSHIP OF EDGEWATER PARK
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
AT DECEMBER 31, 2012**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF		INTEREST RATE	BALANCE			
			DATE	AMOUNT		DECEMBER 31, 2011	INCREASED	DECREASED	DECEMBER 31, 2012
General Bonds of 2003	11/01/03	\$3,267,000	11/01/13	150,000	5.000%	\$2,266,000		143,000	2,123,000
			11/01/14	158,000	5.000%				
			11/01/15	165,000	5.000%				
			11/01/16	174,000	5.000%				
			11/01/17	182,000	5.000%				
			11/01/18	191,000	5.000%				
			11/01/19	201,000	5.000%				
			11/01/20	211,000	5.000%				
			11/01/21	222,000	5.000%				
			11/01/22	231,000	4.375%				
			11/01/23	238,000	4.500%				
					Totals	\$2,266,000	143,000	2,123,000	

**TOWNSHIP OF EDGEWATER PARK
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
09-05	Various Improvements	6/29/06	6/26/11	6/25/12	2.25%	\$432,000		432,000	
09-05	Various Improvements	6/29/06	6/26/12	6/23/13	3.25%		411,000		411,000
07-04	Various Drainage Improvements & Acquisition of Equipment	6/29/06	6/26/11	6/25/12	2.25%	278,000		278,000	
07-04	Various Drainage Improvements & Acquisition of Equipment	6/29/06	6/26/12	6/23/13	3.25%		267,000		267,000
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/29/06	6/26/11	6/25/12	2.25%	425,000		425,000	
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/29/06	6/26/12	6/23/13	3.25%		72,655		72,655
9-03	Acquisition of Land	6/29/06	6/26/11	6/25/12	2.25%	97,000		97,000	
9-03	Acquisition of Land	6/29/06	6/26/12	6/23/13	3.25%		58,000		58,000
20-02	Acquisition of Land	3/27/03	6/26/11	6/25/12	2.25%	116,000		116,000	
20-02	Acquisition of Land	3/27/03	6/26/12	6/23/13	3.25%		114,000		114,000
10-06	Various Improvements	6/28/07	6/26/11	6/25/12	2.25%	368,000		368,000	
10-06	Various Improvements	6/28/07	6/26/12	6/23/13	3.25%		346,000		346,000
02-08	Various Capital Improvements	6/27/08	6/26/11	6/25/12	2.25%	537,000		537,000	
02-08	Various Capital Improvements	6/27/08	6/26/12	6/23/13	3.25%		499,000		499,000
03-08	Recreation Improvements	6/27/08	6/26/11	6/25/12	2.25%	217,000		217,000	
03-08	Recreation Improvements	6/27/08	6/26/12	6/23/13	3.25%		209,000		209,000
04-08	Lincoln Ave Improvements	6/27/08	6/26/11	6/25/12	2.25%	228,000		228,000	
04-08	Lincoln Ave Improvements	6/27/08	6/26/12	6/23/13	3.25%		207,000		207,000
Total						<u>\$2,698,000</u>	<u>2,183,655</u>	<u>2,698,000</u>	<u>2,183,655</u>
Budget Appropriation								182,000	
Paid by Grant Funds								332,345	
Renewals							<u>2,183,655</u>	<u>2,183,655</u>	
							<u>\$2,183,655</u>	<u>2,698,000</u>	

**Summary of Municipal Debt
(Excluding Current Debt)**

	2012	2011	2010
Issued -			
General - Bonds and Notes	\$4,306,655	4,964,000	5,224,000
Deductions - Funds Temporarily Held to Pay Notes:			
General	65,000	254,127	219,128
Net Debt Issued	<u>4,241,655</u>	<u>4,709,873</u>	<u>5,004,872</u>
Authorized But Not Issued:			
General - Bonds & Notes	1,449,424	1,069,424	464,674
Net Debt	<u><u>\$5,691,079</u></u>	<u><u>5,779,297</u></u>	<u><u>5,469,546</u></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 indicates a statutory net debt of .94%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District	\$938,000	938,000	
General Debt	5,756,079	65,000	5,691,079
Total	<u><u>\$6,694,079</u></u>	<u><u>1,003,000</u></u>	<u><u>5,691,079</u></u>

Net debt, \$5,591,079, divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$593,055,802 equals .96%.

Equalized Valuation Basis:

2012	\$574,063,582
2011	586,740,370
2010	<u>618,363,453</u>
Average	<u><u>\$593,055,802</u></u>

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$20,756,953
Net Debt	<u>5,691,079</u>
Remaining Borrowing Power	<u><u>\$15,065,874</u></u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

**Comparative Statement of Operations and
Change in Fund Balance - Current Fund**

	YEAR 2012		YEAR 2011	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$418,000	2.53%	256,000	4.02%
Miscellaneous - From Other Than Local Property Tax Levies	1,682,744	10.18%	1,798,963	9.82%
Collection of Delinquent Taxes & Tax Title Liens	325,662	1.97%	378,878	1.74%
Collection of Current Tax Levy	<u>14,103,311</u>	<u>85.32%</u>	<u>14,020,034</u>	<u>84.42%</u>
Total Income	<u>16,529,717</u>	<u>100.00%</u>	<u>16,453,875</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Municipal Purposes	5,239,317	33.35%	5,054,158	33.57%
County Taxes	2,217,126	14.11%	2,357,666	15.09%
Local & Regional School Taxes	7,849,518	49.96%	7,865,978	49.09%
Fire District Taxes	322,434	2.05%	316,098	1.93%
Other Expenditures	<u>83,173</u>	<u>0.53%</u>	<u>81,772</u>	<u>0.32%</u>
Total Expenditures	<u>15,711,568</u>	<u>100.00%</u>	<u>15,675,672</u>	<u>100.00%</u>
Excess in Revenue to Fund Balance	<u>818,149</u>		<u>778,203</u>	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>1,291</u>			
Statutory Excess to Fund Balance	<u>819,440</u>		<u>778,203</u>	
Fund Balance January 1	992,634		470,431	
Less:				
Utilization as Anticipated Revenue	<u>418,000</u>		<u>256,000</u>	
Fund Balance December 31	<u>\$1,394,074</u>		<u>992,634</u>	

**Comparison of Tax Levies
and Collection Currently**

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2012	\$14,364,324	14,103,311	98.18%
2011	14,396,898	13,880,132	96.41%
2010	14,292,242	13,880,132	97.12%
2009	13,834,986	13,545,756	97.91%
2008	13,332,681	13,077,075	98.08%

Comparison of Tax Rate Information

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Tax Rate	<u>\$2.323</u>	<u>\$2.314</u>	<u>\$4.642</u>
Apportionment of Tax Rate:			
Municipal	0.629	0.609	1.184
County	0.360	0.381	0.788
Local School	1.272	1.264	2.560
Fire District Tax	0.053	0.051	0.101
Open Space Tax	0.009	0.009	0.009

Net Valuation Taxable:

2012	<u>\$617,316,981</u>		
2011		<u>\$622,157,736</u>	
2010			<u>\$307,677,410</u>

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>YEAR ENDED DECEMBER 31</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2012	\$4,809	236,358	241,167	1.68%
2011	3,508	333,450	336,958	2.34%
2010	1,515	399,167	400,682	2.80%

**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, was as follows:

<u>Year</u>	<u>Amount</u>
2012	\$3,094,800
2011	3,094,800
2010	666,000
2009	666,000
2008	667,000

Comparative Schedule of Fund Balance

<u>Current Fund</u>	<u>December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2012	\$1,394,074	433,000	31.06%
2011	992,634	418,000	42.11%
2010	470,431	256,000	54.42%
2009	700,019	481,946	68.85%
2008	1,080,014	970,539	89.86%

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2012:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE SURETY</u>
John Mcelwee	Mayor		B
Scott Kercher	Deputy Mayor		B
Darrel Booker	Committeeman		B
Joseph T. Pullion, Jr.	Committeeman		B
Aimee Belgard	Committeewoman		B
Linda Dougherty	Township Administrator, Township Clerk, Municipal Improvement Search Officer, Secretary to Chief Financial Officer, Registrar of Dogs		B
Margaret Peak	Certified Municipal Finance Officer	\$200,000	A
Tanyika Johns	Tax Collector/Deputy Clerk Statistics	\$125,000	A
James Vogdes	Municipal Court Judge	\$ 35,000	A
Ann DiMarco	Court Administrator		B
Terri Lynn Harper	Deputy Court Administrator		B
James Scott	Construction Code Official		B
James Duda	Tax Assessor		B
William Kearns	Solicitor		

Environmental Resolutions, Inc. Engineer

(A) RLI Insurance Company

(B) Municipal Excess Liability Joint Insurance Fund - \$1,000,000 blanket bond

TOWNSHIP OF EDGEWATER PARK

PART II

GENERAL COMMENTS AND FINDINGS

YEAR ENDED DECEMBER 31, 2012

JOHN J. MALEY, JR.

Certified Public Accountant

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Mayor and
Members of the Township Committee
Township of Edgewater Park
Edgewater Park, New Jersey 08010

We have audited the financial statements and transactions of the Township of Edgewater Park in the County of Burlington for the year ended December 31, 2012. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$26,000 except by contract or agreement. This amount has been established since an employee is in training to become a qualified purchasing agent.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.40A:11-5*.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$3,900 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 7, 2012 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“**BE IT RESOLVED** by the Township Committee of the Township of Edgewater Park, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2012, included 2012, 2010 and 2006 real estate taxes due.

The last tax sale was held on September 12, 2012 and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Finance

***Finding 2012-01:**

Criteria:

The current fund general ledger should be properly maintained and completed with the required journal entries.

Condition:

It was noted that the current fund general ledger was not properly maintained and completed with the required journal entries.

Cause:

Oversight of Township personnel.

Effect:

The condition causes a potential for misstatements in the financial statements.

Recommendation:

The current fund general ledger must be completed with all the required entries on a timely basis.

Escrow

***Finding 2012-02:**

Criteria:

That the escrow fund analysis be properly maintained and updated accordingly.

Condition:

It was noted that the escrow fund analysis was not properly maintained and updated.

Cause:

Oversight of Township personnel.

Effect:

Individual escrow accounts do not accurately reflect correct balances.

Recommendation:

The escrow fund analysis must be properly maintained and updated accordingly to properly reflect individual escrow account balances.

Uniform Construction Code

Finding 2012-03:

Criteria:

Construction code permit fees must be charged in accordance with the Township ordinance establishing such rates.

Condition:

It was noted during our examination of permit fees that there were two (2) instances that occurred where incorrect permit fees were charged to applicants.

Cause:

Clerical errors.

Effect:

Utilizing the incorrect permit fees created a billing shortfall of \$305.

Recommendation:

Construction code permit fees should be charged in accordance with the Township ordinance establishing such rates.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. It was noted that all prior year findings still exist marked above with an asterisk (*).

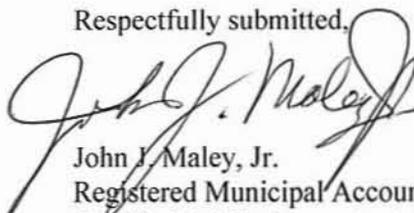
Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,



John J. Maley, Jr.
Registered Municipal Accountant
Certified Public Accountant

Bordentown Office
June 28, 2013