

TOWNSHIP OF MEDFORD
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2013

**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

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**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**



HOLMAN | FRENIA
ALLISON, P.C.

Certified Public Accountants & Consultants

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Medford
Medford, New Jersey

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Medford, County of Burlington, State of New Jersey as of December 31, 2013 and 2012, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2013.

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Municipality'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 Municipality's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1 to the financial statements, the Township of Medford prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of MedfordMedford Township, County of Burlington, State of New Jersey, as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Medford, County of Burlington, State of New Jersey, as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2013 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2014, on our consideration of the Township of Medford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Medford's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

April 11, 2014
Medford, New Jersey

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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 Committee
Township of Medford
County of Burlington
Township of Medford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and 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 Medford (herein referred to as “the Municipality”), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Municipality’s basic financial statements, and have issued our report thereon dated April 11, 2014 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Municipality’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Comments & Recommendations to be a material weakness as Finding No. 2013-01.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No. 2013-01.

Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

April 11, 2014
Medford, New Jersey

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| ASSETS | REFERENCE | 2013 | 2012 |
|---|-----------|----------------------|----------------------|
| Current Fund: | | | |
| Cash | A-4 | \$ 6,953,444 | \$ 6,049,918 |
| Cash - Birchwood Lake Dam | A-4 | 320,610 | 298,852 |
| Cash - Change Fund | A-5 | 400 | 400 |
| Investment in Bond Anticipation Notes | C | 216,518 | 216,518 |
| Total | | <u>7,490,972</u> | <u>6,565,688</u> |
| Receivables & Other Assets With Full Reserves: | | | |
| Delinquent Taxes Receivable | A-6 | 813,231 | 1,264,552 |
| Tax Title Liens Receivable | A-7 | 414,969 | 374,193 |
| Foreclosed Property - Assessed Valuation | A | 371,400 | 371,400 |
| Revenue Accounts Receivable | A-8 | 14,548 | 17,436 |
| Due from: | | | |
| Trust - Animal Control Fund | B | 1,833 | 2,267 |
| General Capital Fund | C | 772,640 | 50,790 |
| Total Receivables & Other Assets With Full Reserves | | <u>2,388,621</u> | <u>2,080,638</u> |
| Deferred Charges To Future Taxation: | | | |
| Special Emergency Appropriation | A-29 | 840,000 | 600,000 |
| Overexpenditure of Current Year Appropriations | A-3 | | 206,664 |
| Total | | <u>840,000</u> | <u>806,664</u> |
| Total Regular Funds | | <u>10,719,593</u> | <u>9,452,990</u> |
| Federal & State Grants: | | | |
| Cash | A-4 | 369,649 | 109,794 |
| Due from Current Fund | A | 475 | 475 |
| Grants Receivable | A-25 | 547,123 | 784,792 |
| Total Federal & State Grants | | <u>917,247</u> | <u>895,061</u> |
| Total Assets | | <u>\$ 11,636,840</u> | <u>\$ 10,348,051</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| LIABILITIES RESERVES & FUND BALANCE | REFERENCE | 2013 | 2012 |
|---|-----------|----------------------|----------------------|
| Regular Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3 | \$ 1,050,313 | \$ 1,839,534 |
| Reserve for Encumbrances | A-31 | 559,228 | 604,041 |
| Accounts Payable | A | 105,611 | 72,859 |
| Tax Overpayments | A-10 | 117,389 | 71,510 |
| Prepaid Taxes | A-11 | 485,736 | 887,905 |
| Due to State of New Jersey for Senior Citizen & Veteran Deductions | A-12 | 94,750 | 91,125 |
| Due County for Added & Omitted Taxes | A-13 | 84,369 | 71,934 |
| Due to State - Construction Code Fees | A-23 | 7,539 | 5,506 |
| Due to State - Marriage License Fees | A-24 | 575 | 450 |
| Due to Sewer Connection Trust Fund | D | 30,390 | 30,390 |
| Due to Trust Other Fund | B | 10,718 | 12,177 |
| Due to Municipal Open Space Fund | B | 901,189 | 4,747 |
| Due to Federal & State Grant Fund | A-28 | 475 | 475 |
| Local District School Taxes Payable | A-15 | 884,427 | 317,980 |
| Regional High School Taxes Payable | A-16 | 1,097,692 | 500,605 |
| Special Emergency Note Payable | A-30 | 560,000 | 700,000 |
| Reserve for: | | | |
| Municipal Court - POAA | A-17 | 744 | 728 |
| Purchase of Public Safety Equipment | A-18 | 13,825 | 8,050 |
| Election Workers | A-19 | 1,668 | 1,092 |
| Revaluation | A-20 | 4,159 | 4,159 |
| Insurance Claims | A-21 | 1,029 | 819 |
| Workers Compensation Claims | A-22 | 31,231 | 31,231 |
| Library State Aid | A | 3,300 | 3,300 |
| New Jersey Saver Rebates | A | 1,200 | 1,200 |
| Auction | A | 4,292 | 4,338 |
| OPRA Requests | A | 3,071 | 2,714 |
| Tax Map | A | 10 | 10 |
| Homeowners Dam Restoration | A | 320,610 | 298,852 |
| Subtotal Regular Fund | | <u>6,375,540</u> | <u>5,567,731</u> |
| Reserve for Receivables & Other Assets | A | 2,388,621 | 2,080,638 |
| Fund Balance | A-1 | <u>1,955,432</u> | <u>1,804,621</u> |
| Total Regular Fund | | <u>10,719,593</u> | <u>9,452,990</u> |
| Federal & State Grants: | | | |
| Reserve for Encumbrances | A-31 | 7,793 | 40,847 |
| Unappropriated Reserves | A-26 | 101,565 | 82,488 |
| Appropriated Reserves | A-27 | 807,889 | 771,726 |
| Total Federal & State Grants | | <u>917,247</u> | <u>895,061</u> |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 11,636,840</u> | <u>\$ 10,348,051</u> |

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

TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

| | REFERENCE | 2013 | 2012 |
|--|-----------|---------------------|---------------------|
| Revenue & Other Income Realized: | | | |
| Fund Balance Utilized | A-1, A-2 | \$ 1,041,488 | \$ 636,363 |
| Miscellaneous Revenue Anticipated | A-2 | 5,379,094 | 7,794,925 |
| Receipts From Delinquent Taxes & Tax Title Liens | A-2 | 1,258,417 | 1,494,774 |
| Receipts From Current Taxes | A-6 | 84,333,435 | 81,293,675 |
| Nonbudget Revenue | A-2 | 219,328 | 578,502 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | A-9 | 1,130,924 | 576,250 |
| Liquidation of Interfunds | A | 4,479 | 3,291 |
| Total Income | | 93,367,165 | 92,377,780 |
| Expenditures: | | | |
| Budget Appropriations Within "CAPS": | | | |
| Operations: | | | |
| Salaries & Wages | A-3 | 5,092,850 | 5,806,264 |
| Other Expenses | A-3 | 6,873,477 | 6,665,822 |
| Deferred Charges & Statutory Expenditures | A-3 | 1,930,317 | 2,379,744 |
| Excluded From "CAPS": | | | |
| Operations: | | | |
| Salaries & Wages | A-3 | 377,229 | 364,114 |
| Other Expenses | A-3 | 515,079 | 887,355 |
| Capital Improvements | A-3 | | 25,000 |
| Deferred Charges & Statutory Expenditures | A-3 | 366,664 | 160,000 |
| Municipal Debt Service | A-3 | 3,902,082 | 3,607,392 |
| Regional High School Tax | A-16 | 19,229,340 | 18,035,167 |
| Local District School Tax | A-15 | 40,898,852 | 39,765,957 |
| County Taxes | A-6 | 11,685,836 | 12,044,808 |
| Due County for Added & Omitted Taxes | A-6 | 84,369 | 71,934 |
| Municipal Open Space Trust Fund Tax | A-6 | 896,442 | 907,636 |
| Creation of Interfund & Other Assets | A | 722,329 | 51,285 |
| Total Expenditures | | 92,574,866 | 90,772,478 |
| Excess/(Deficit) in Revenue | | 792,299 | 1,605,302 |
| Adjustment to Income Before Fund Balance: | | | |
| Expenditures Included Above which are by Statute | | | |
| Deferred Charges to Budget of Succeeding Year | A | 400,000 | - |
| Statutory Excess to Fund Balance | | 1,192,299 | 1,605,302 |
| Fund Balance January 1 | A | 1,804,621 | 835,682 |
| Total | | 2,996,920 | 2,440,984 |
| Decreased by: Utilization as Anticipated Revenue | A-1, A-2 | 1,041,488 | 636,363 |
| Fund Balance December 31 | A | \$ 1,955,432 | \$ 1,804,621 |

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

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BUDGET | APPROPRIATED BY N.J.S.A.40A:47-87 | REALIZED | EXCESS OR (DEFICIT) |
|--|----------------------|---|----------------------|------------------------|
| Fund Balance Utilized | \$ 1,041,488 | \$ - | \$ 1,041,488 | \$ - |
| Miscellaneous Revenue: | | | | |
| Licenses - Alcoholic Beverages | 22,900 | - | 23,188 | 288 |
| Fees & Permits - Other | 108,000 | - | 118,431 | 10,431 |
| Fines & Costs - Municipal Court | 224,000 | - | 226,788 | 2,788 |
| Interest & Costs on Taxes | 360,000 | - | 207,127 | (152,873) |
| Interest on Investments & Deposits | 11,000 | - | 7,368 | (3,632) |
| Alarm Fees | 15,000 | - | 9,800 | (5,200) |
| Cable Television Fees | 315,000 | - | 332,796 | 17,796 |
| Emergency Medical Service Billing Income | 675,000 | - | 606,740 | (68,260) |
| Auction Proceeds | 270,847 | - | 273,238 | 2,391 |
| Contribution from Taunton Trace Homeowner's Association | 44,348 | - | - | (44,348) |
| Consolidated Municipal Property Tax Relief Act | 12,794 | - | 12,794 | |
| Energy Receipts Tax | 1,968,499 | - | 1,968,499 | |
| Garden State Trust | 9,842 | - | 69,079 | 59,237 |
| Fees & Permits: | | | | |
| Uniform Construction Code | 638,600 | - | 618,581 | (20,019) |
| Lenape Regional High School | | | | |
| Lenape Regional High School | 358,729 | - | 312,534 | (46,195) |
| Medford Lakes | | | | |
| Medford Lakes | 18,560 | - | 37,000 | 18,440 |
| Interlocal Services Agreement - Zoning | | | | |
| Uniform Fire Safety Act | 56,827 | - | 57,867 | 1,040 |
| Developers Contribution | 70,000 | - | 35,000 | (35,000) |
| FEMA Revenue | 70,000 | - | 54,685 | (15,315) |
| State & Federal Revenue Offset with | | | | |
| Drunk Driving Enforcement | 30,044 | 5,369 | 35,413 | - |
| Clean Communities Program | - | 57,041 | 57,041 | - |
| Municipal Alliance on Alcohol & Drug Abuse | - | 24,000 | 24,000 | - |
| COPS in Shops | 45,720 | 3,439 | 49,159 | - |
| Body Armor Grant | 6,291 | - | 6,291 | - |
| Drive Sober or Get Pulled Over | - | 8,800 | 8,800 | - |
| Medford Celebrates | - | 47,000 | 47,000 | - |
| Art, Wine & Music Festival | - | 3,000 | 3,000 | - |
| NJ Motor Vehicle Security & Customer Service Act | 49,981 | 99,962 | 149,943 | - |
| Halloween Parade | - | 16,500 | 16,500 | - |
| Alcohol Education, Rehabilitation & Enforcement | 432 | - | 432 | - |
| Dickens Festival | - | 10,000 | 10,000 | - |
| Total Miscellaneous Revenue | 5,382,414 | 275,111 | 5,379,094 | (278,431) |
| Receipts From Delinquent Taxes | 1,364,000 | - | 1,258,417 | (105,583) |
| Subtotal General Revenues | 7,787,902 | 275,111 | 7,678,999 | (384,014) |
| Local Tax for Municipal Purposes | 12,274,462 | - | 12,884,815 | 610,353 |
| Budget Totals | 20,062,364 | 275,111 | 20,563,814 | 226,339 |
| Nonbudget Revenues | - | - | 219,328 | 219,328 |
| Total | \$ 20,062,364 | \$ 275,111 | \$ 20,783,142 | \$ 445,667 |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

ANALYSIS OF REALIZED REVENUES

| | |
|--|-----------------------------|
| Allocation of Current Tax Collections: | |
| Revenue From Collections | \$ 84,333,435 |
| Less: School, County Taxes, Special District & Open Space | <u>72,794,839</u> |
| Balance for Support of Municipal Budget Appropriations | 11,538,596 |
| Add: Budget Appropriation - Reserve for Uncollected Taxes | <u>1,346,219</u> |
| Total Amount for Support of Municipal Budget Appropriation | <u><u>\$ 12,884,815</u></u> |
| Receipts From Delinquent Taxes: | |
| Delinquent Tax Collections | 1,158,891 |
| Tax Title Lien Collections | <u>99,526.00</u> |
| Total Receipts From Delinquent Taxes | <u><u>\$ 1,258,417</u></u> |

ANALYSIS OF NONBUDGET REVENUE

| | |
|--|--------------------------|
| Miscellaneous Revenue Not Anticipated: | |
| Receipts: | |
| Recreation Fees | \$ 5,945 |
| Tower Rental | 9,600 |
| Copy Costs | 1,654 |
| Prior Year Refunds & Reimbursements | 197,371 |
| SC & Vet Admin Fee | 3,833 |
| Driveway Fees | 75 |
| Miscellaneous | <u>850</u> |
| Total | <u><u>\$ 219,328</u></u> |

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

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | | PAID OR CHARGED | | | UNEXPENDED BALANCE CANCELED |
|-----------------------------------|----------------|------------------------------|------------------------------|-----------------|------------|----------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED | RESERVED | |
| OPERATIONS | | | | | | | |
| General Government: | | | | | | | |
| General Administration: | | | | | | | |
| Office of the Manager: | | | | | | | |
| Salaries and Wages | \$ 79,711 | \$ 94,201 | \$ 90,666 | \$ - | \$ - | 3,535 | \$ - |
| Other Expenses | 5,000 | 5,600 | 5,138 | 34 | - | 428 | - |
| Human Resources: | | | | | | | |
| Salaries and Wages | 26,010 | 27,079 | 26,779 | - | - | 300 | - |
| Other Expenses | 775 | 775 | 459 | - | - | 316 | - |
| Mayor & Council: | | | | | | | |
| Salaries and Wages | 16,374 | 16,374 | 14,736 | - | - | 1,638 | - |
| Other Expenses | 1,000 | 1,000 | 618 | - | - | 382 | - |
| Municipal Clerk: | | | | | | | |
| Salaries and Wages | 48,323 | 56,606 | 50,876 | - | - | 5,730 | - |
| Other Expenses | 41,427 | 41,589 | 38,646 | 1,452 | - | 1,491 | - |
| Other Expenses-Elections | 12,000 | 12,000 | 9,664 | - | - | 2,336 | - |
| Financial Administration: | | | | | | | |
| Office of Treasurer: | | | | | | | |
| Salaries and Wages | 81,689 | 91,487 | 84,355 | - | - | 7,132 | - |
| Other Expenses | 30,982 | 31,452 | 24,385 | 2,700 | - | 4,367 | - |
| Auditing Services: | | | | | | | |
| Other Expenses | 30,000 | 35,500 | 2,546 | 32,529 | - | 425 | - |
| Revenue Administration: | | | | | | | |
| Salaries and Wages | 57,826 | 48,026 | 41,065 | - | - | 6,961 | - |
| Other Expenses | 14,810 | 14,810 | 3,775 | 234 | - | 10,801 | - |
| Division of Assessments: | | | | | | | |
| Salaries and Wages | 125,313 | 115,313 | 109,653 | - | - | 5,660 | - |
| Other Expenses | 27,375 | 43,875 | 36,399 | 4,673 | - | 2,803 | - |
| Legal Services (Legal Department) | | | | | | | |
| Other Expenses | 150,000 | 201,000 | 157,603 | 37,958 | - | 5,439 | - |
| Engineering Services: | | | | | | | |
| Other Expenses | 20,000 | 32,000 | 14,546 | 3,215 | - | 14,239 | - |
| Division of Planning: | | | | | | | |
| Salaries and Wages | 55,231 | 56,331 | 50,962 | - | - | 5,369 | - |
| Other Expenses | 34,025 | 39,025 | 25,943 | 10,496 | - | 2,586 | - |
| Division of Zoning: | | | | | | | |
| Other Expenses | 47,665 | 63,665 | 54,420 | 2,610 | - | 6,635 | - |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | | PAID OR CHARGED | | | UNEXPENDED BALANCE CANCELED |
|---------------------------------------|----------------|------------------------------|-----------|-----------------|----------|---|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED | RESERVED | | |
| OPERATIONS | | | | | | | |
| Public Safety Functions: | | | | | | | |
| Police: | | | | | | | |
| Salaries and Wages | 3,091,220 | 3,091,220 | 2,791,446 | - | 299,774 | - | |
| Other Expenses | 168,500 | 168,500 | 112,875 | 53,295 | 2,330 | - | |
| Fire: | | | | | | | |
| Other Expenses | 125,450 | 140,950 | 113,804 | 14,699 | 12,447 | - | |
| First Aid Organizations: | | | | | | | |
| Salaries and Wages | 99,025 | 99,025 | 91,984 | - | 7,041 | - | |
| Other Expenses | 109,825 | 109,825 | 62,759 | 37,545 | 9,521 | - | |
| Emergency Management Services: | | | | | | | |
| Other Expenses | 2,340 | 2,340 | 1,838 | 409 | 93 | - | |
| Uniform Fire Safety Act: PL1983C.383) | | | | | | | |
| Salaries and Wages | 447,401 | 447,401 | 423,301 | - | 24,100 | - | |
| Other Expenses | 11,950 | 11,950 | 9,773 | 1,445 | 732 | - | |
| Prosecutor: | | | | | | | |
| Other Expenses | 31,000 | 31,000 | 18,450 | - | 12,550 | - | |
| Public Works Functions: | | | | | | | |
| Department of Public Works: | | | | | | | |
| Road Repairs & Maintenance: | | | | | | | |
| Salaries and Wages | 167,375 | 158,375 | 137,849 | - | 20,526 | - | |
| Other Expenses | 86,896 | 86,896 | 59,925 | 5,967 | 21,004 | - | |
| Snow Removal: | | | | | | | |
| Salaries and Wages | 45,000 | 45,000 | 6,873 | - | 38,127 | - | |
| Other Expenses | 5,000 | 5,000 | 4,961 | - | 39 | - | |
| Sanitation: | | | | | | | |
| Salaries and Wages | 342,086 | 257,086 | 235,706 | - | 21,380 | - | |
| Other Expenses | 597,841 | 682,841 | 550,210 | 98,619 | 34,012 | - | |
| Building & Grounds: | | | | | | | |
| Salaries and Wages | 118,900 | 109,900 | 102,466 | - | 7,434 | - | |
| Other Expenses | 65,250 | 74,637 | 57,731 | 16,632 | 274 | - | |
| Shade Tree Program: | | | | | | | |
| Salaries and Wages | - | - | - | - | - | - | |
| Other Expenses | 10,135 | 10,135 | 1,015 | 800 | 8,320 | - | |
| Vehicle Maintenance: | | | | | | | |
| Salaries and Wages | 53,784 | 53,784 | 43,568 | - | 10,216 | - | |
| Other Expenses | 224,500 | 225,595 | 187,710 | 37,626 | 259 | - | |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | PAID OR CHARGED | | | UNEXPENDED BALANCE CANCELED |
|---|----------------|------------------------------|-----------------|------------|----------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED | RESERVED | |
| OPERATIONS | | | | | | |
| Economic Development Committee: | | | | | | |
| Other Expenses | 30,000 | 30,000 | - | - | 30,000 | - |
| Parks & Recreation: | | | | | | |
| Recreation Programs: | | | | | | |
| Salaries and Wages | - | - | - | - | - | - |
| Other Expenses | - | - | - | - | - | - |
| Parks & Playgrounds: | | | | | | |
| Salaries and Wages | 47,320 | 47,320 | 43,003 | - | 4,317 | - |
| Other Expenses | 1,075 | 1,075 | 894 | - | 181 | - |
| Landfill/Solid Waste Disposal | 687,500 | 687,500 | 633,042 | 54,458 | - | - |
| County Library Maintenance | | | | | | |
| Other Expenses | - | - | - | - | - | - |
| Community Services: | | | | | | |
| Other Expenses | 31,000 | 31,000 | 30,319 | - | 681 | - |
| Municipal Court: | | | | | | |
| Salaries and Wages | 119,000 | 119,000 | 111,836 | - | 7,164 | - |
| Other Expenses | 45,340 | 28,750 | 28,081 | 182 | 487 | - |
| Insurance: | | | | | | |
| General Liability | 321,798 | 288,461 | 288,001 | - | 460 | - |
| Employee Group Insurance | 1,237,279 | 1,669,009 | 1,669,009 | - | - | - |
| Worker's Compensation | 282,056 | 282,056 | 282,056 | - | - | - |
| Health Benefit Waivers | 75,000 | 75,000 | 39,917 | - | 35,083 | - |
| Retiree Health Benefits | 899,907 | 899,907 | 899,907 | - | - | - |
| Hepatitis Vaccination: | | | | | | |
| Other Expenses | 1,000 | 1,000 | - | - | 1,000 | - |
| Uniform Construction Code Appropriations | | | | | | |
| Offset by Dedicated Revenues: | | | | | | |
| Construction Code Official: | | | | | | |
| Salaries and Wages | 154,696 | 144,696 | 131,981 | - | 12,715 | - |
| Other Expenses: | | | | | | |
| Direct Costs | 72,165 | 55,215 | 54,680 | 172 | 363 | - |
| Indirect Costs | 21,127 | - | - | - | - | - |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| OPERATIONS | APPROPRIATIONS | | | PAID OR CHARGED | | | UNEXPENDED BALANCE CANCELED |
|--|-------------------|------------------------------|-------------------|-----------------|------------|------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | BUDGET | EXPENDED | ENCUMBERED | RESERVED | |
| Unclassified: | | | | | | | |
| Celebration of Public Events, Anniversary or Holiday: | | | | | | | |
| Other Expenses | 4,250 | 2,650 | 1,650 | 100 | | 900 | - |
| Utilities: | | | | | | | |
| Electric | 130,000 | 139,631 | 117,309 | 53 | | 22,269 | - |
| Street Lighting | 205,000 | 205,000 | 192,992 | - | | 12,008 | - |
| Telephone & Telegraph | 60,000 | 61,633 | 59,850 | 290 | | 1,493 | - |
| Water & Sewer | - | 22 | - | - | | 22 | - |
| Heating Gas/Oil | 60,000 | 61,484 | 54,915 | 808 | | 5,761 | - |
| Gasoline/Diesel Fuel | 345,000 | 292,000 | 162,520 | 54,031 | | 75,449 | - |
| Safety Supplies | 4,500 | 4,500 | 3,674 | 409 | | 417 | - |
| Catastrophic Illness Fund | 250 | 250 | 231 | - | | 19 | - |
| Cultural Arts Commission: | | | | | | | |
| Other Expenses | - | - | - | - | | - | - |
| Total Operation Within "CAPS" | 11,544,277 | 11,966,327 | 10,663,345 | 473,441 | | 829,541 | - |
| Detail: | | | | | | | |
| Salaries and Wages | 5,207,284 | 5,092,850 | 4,592,819 | - | | 500,031 | - |
| Other Expenses (Including Contingent) | 6,336,993 | 6,873,477 | 6,070,526 | 473,441 | | 329,510 | - |
| Statutory Expenditures: | | | | | | | |
| Public Employees Retirement System | 259,710 | 259,710 | 259,710 | - | | - | - |
| Social Security System(O.A.S.I.) | 450,000 | 427,950 | 394,512 | - | | 33,438 | - |
| Police & Fire Retirement System | 1,057,657 | 1,057,657 | 1,057,657 | - | | - | - |
| Unemployment | 185,000 | 185,000 | - | - | | 185,000 | - |
| Total Deferred Charges & Statutory Expenditures Within "CAPS" | 1,952,367 | 1,930,317 | 1,711,879 | - | | 218,438 | - |
| Total General Appropriations for Municipal Purposes Within "CAPS" | 13,496,644 | 13,896,644 | 12,375,224 | 473,441 | | 1,047,979 | - |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | | | PAID OR CHARGED | RESERVED | OVER EXPENDED | UNEXPENDED BALANCE CANCELED |
|--|----------------|---------------------------|----------------|---------------|-----------------|----------|---------------|-----------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED | | | | |
| OPERATIONS EXCLUDED FROM "CAPS": | | | | | | | | |
| Group Insurance for Employees | - | - | - | - | - | - | - | - |
| Landfill Fees - Recycling Tax | 37,500 | 37,500 | 32,917 | 2,267 | - | 2,316 | - | - |
| LOSAP | 70,000 | 70,000 | - | 70,000 | - | - | - | - |
| Interlocal Service Agreement | | | | | | | | |
| Police Salaries-Lenape Regional High Schoo | 271,916 | 358,729 | 358,711 | - | 18 | - | - | - |
| UCC Salaries - Medford Lakes | 18,500 | 18,500 | 18,500 | - | - | - | - | - |
| Zoning - Salary & Wages | - | - | - | - | - | - | - | - |
| Public & Private Programs Offset by Revenues: | | | | | | | | |
| Drunk Driving Enforcement | 30,044 | 35,413 | 35,413 | - | - | - | - | - |
| Drive Sober or Get Pulled Over | - | 8,800 | 8,800 | - | - | - | - | - |
| Municipal Alliance on Alcoholism & Drug Abuse | - | 24,000 | 24,000 | - | - | - | - | - |
| COPS in Shops | 45,720 | 49,159 | 49,159 | - | - | - | - | - |
| NJ Motor Vehicles Security & Customer Service Grant | 49,981 | 149,943 | 149,943 | - | - | - | - | - |
| Body Armor Grant | 6,291 | 6,291 | 6,291 | - | - | - | - | - |
| Art, Wine & Music Festival | - | 3,000 | 3,000 | - | - | - | - | - |
| Alcohol Ed & Rehab | 432 | 432 | 432 | - | - | - | - | - |
| Clean Communities | - | 57,041 | 57,041 | - | - | - | - | - |
| Medford Celebrates | - | 47,000 | 47,000 | - | - | - | - | - |
| Halloween Parade | - | 16,500 | 16,500 | - | - | - | - | - |
| Dickens Festival | - | 10,000 | 10,000 | - | - | - | - | - |
| Drive Sober or Get Pulled Over | - | - | - | - | - | - | - | - |
| Total Operations Excluded from "CAPS" | 530,384 | 892,308 | 817,707 | 72,267 | 2,334 | - | - | - |
| Detail: | | | | | | | | |
| Salaries and Wages | 290,416 | 377,229 | 377,211 | - | 18 | - | - | - |
| Other Expenses | 239,968 | 515,079 | 440,496 | 72,267 | 2,316 | - | - | - |
| Capital Improvements - Excluded from "CAPS" | | | | | | | | |
| Capital Improvement Fund | - | - | - | - | - | - | - | - |
| Total Capital Improvements Excluded from "CAPS" | - | - | - | - | - | - | - | - |

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | PAID OR CHARGED | | UNEXPENDED BALANCE CANCELED |
|--|----------------|------------------------------|-----------------|------------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED RESERVED | |
| OPERATIONS EXCLUDED FROM "CAPS" | | | | | |
| Municipal Debt Service - Excluded from "CAPS": | | | | | |
| Payment of Bond Principal | 3,303,600 | 3,273,700 | 3,084,850 | - | 188,850 |
| Payment of Bond Anticipation Notes | 189,586 | 189,586 | 44,941 | - | 144,645 |
| Interest on Bonds | 691,256 | 721,156 | 721,093 | - | 63 |
| Interest on Notes | 51,198 | 51,198 | 51,198 | - | - |
| Total Municipal Debt Service Excluded from "CAPS" | 4,235,640 | 4,235,640 | 3,902,082 | - | 333,558 |
| Statutory Expenditures/Deferred Charges: | | | | | |
| Overexpenditure of an Appropriation | 206,664 | 206,664 | 206,664 | - | - |
| Special Emergency Authorizations - 5 Years (N.J.S.40A:40-55) | 160,000 | 160,000 | 160,000 | - | - |
| Total Statutory Expenditures/Deferred Charges | 366,664 | 366,664 | 366,664 | - | - |
| Total General Appropriations Excluded from "CAPS" | 5,132,688 | 5,494,612 | 5,086,453 | 72,267 | 333,558 |
| Subtotal General Appropriations | 18,629,332 | 19,391,256 | 17,461,677 | 545,708 | 333,558 |
| Reserve For Uncollected Taxes | 1,346,219 | 1,346,219 | 1,346,219 | - | - |
| Total General Appropriations | \$ 19,975,551 | \$ 20,737,475 | \$ 18,807,896 | \$ 545,708 | \$ 333,558 |
| Budget | | \$ 19,975,551 | | | |
| Appropriation by 40A:4-87 | | 361,924 | | | |
| Special Emergency | | 400,000 | | | |
| Total | | \$ 20,737,475 | | | |
| Reserve for Federal & State Grant Fund - Appropriated | | | \$ 407,579 | | |
| Cash Disbursements | | | 16,687,434 | | |
| Special Emergency Authorizations - 5 Years | | | 366,664 | | |
| Reserve for Uncollected Taxes | | | 1,346,219 | | |
| Total | | | \$ 18,807,896 | | |

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

**TOWNSHIP OF MEDFORD
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| ASSETS | REFERENCE | 2013 | 2012 |
|---|-----------|---------------------|---------------------|
| Animal Control Fund: | | | |
| Cash | B-4 | \$ 17,966 | \$ 14,356 |
| Total Animal Control Fund | | <u>17,966</u> | <u>14,356</u> |
| Other Funds: | | | |
| Cash | B-4 | 2,857,845 | 2,399,917 |
| Due From Current Fund | A,B-8 | <u>10,718</u> | <u>12,177</u> |
| Total Other Funds | | <u>2,868,563</u> | <u>2,412,094</u> |
| Municipal Open Space Fund: | | | |
| Cash | B-4 | 853,054 | 961,435 |
| Due From Current Fund | A, B-11 | <u>901,189</u> | <u>4,747</u> |
| Total Open Space Fund | | <u>1,754,243</u> | <u>966,182</u> |
| Total Assets | | <u>\$ 4,640,772</u> | <u>\$ 3,392,632</u> |
| LIABILITIES, RESERVES & FUND BALANCE | | | |
| Animal Control Fund: | | | |
| Due to Current Fund | A,B-6 | \$ 1,833 | \$ 2,267 |
| Due State of New Jersey | B-7 | 6 | 10 |
| Reserve for Animal Control Expenditures | B-5 | <u>16,127</u> | <u>12,079</u> |
| Total Animal Control Fund | | <u>17,966</u> | <u>14,356</u> |
| Other Funds: | | | |
| Due to General Capital Fund | C | 25,000 | 25,000 |
| Miscellaneous Trust Other Reserves | B-9 | <u>2,843,563</u> | <u>2,387,094</u> |
| Total Other Funds | | <u>2,868,563</u> | <u>2,412,094</u> |
| Municipal Open Space Fund: | | | |
| Encumbrances | B-3 | 1,419 | 3,658 |
| Appropriation Reserves | B-3 | 153,033 | 118,029 |
| Reserve for Future Use | B-10 | <u>1,599,791</u> | <u>844,495</u> |
| Total Open Space Fund | | <u>1,754,243</u> | <u>966,182</u> |
| Total Liabilites, Reserves & Fund Balance | | <u>\$ 4,640,772</u> | <u>\$ 3,392,632</u> |

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

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENTS OF OPERATIONS AND CHANGES IN RESERVE FOR
FUTURE USE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| REVENUE REALIZED: | 2013 | 2012 |
|--|----------------------------|--------------------------|
| Amount to be Raised by Taxation | \$ 896,442 | \$ 907,636 |
| Miscellaneous - County | 639,362 | 192,320 |
| Interest Income | 1,016 | 612 |
| Miscellaneous | - | 4,000 |
| Unexpended Balance of Appropriation Reserves | <u>116,581</u> | <u>98,276</u> |
| Total Income | <u>1,653,401</u> | <u>1,202,844</u> |
| EXPENDITURES: | | |
| Budget Appropriations: | | |
| Salary and Wages | 120,870 | 102,043 |
| Other Expenses | 191,881 | 117,500 |
| Acquisition of Farmland | 45,000 | 45,000 |
| Debt Service | 540,354 | 710,060 |
| Reserve for Future Use | - | 10,000 |
| Other Debits to Income | <u>-</u> | <u>358</u> |
| Total Expenditures | <u>898,105</u> | <u>984,961</u> |
| Statutory Excess to Reserve | <u>755,296</u> | <u>217,883</u> |
| RESERVE FOR FUTURE USE: | | |
| Balance January 1, | <u>844,495</u> | <u>626,612</u> |
| Balance December 31, | <u><u>\$ 1,599,791</u></u> | <u><u>\$ 844,495</u></u> |

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

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | ANTICIPATED BUDGET | REALIZED | EXCESS OR (DEFICIT) |
|---------------------------------|-----------------------|---------------------|------------------------|
| Amount to be Raised by Taxation | \$ 890,463 | \$ 896,442 | \$ 5,979 |
| Interest Income | 550 | 1,016 | 466 |
| Reserve Funds | 313,017 | 639,362 | 326,345 |
| | | | |
| Total Revenues | <u>\$ 1,204,030</u> | <u>\$ 1,536,820</u> | <u>\$ 332,790</u> |

ANALYSIS OF REALIZED REVENUES

Receipts:

| | | |
|--------------------------------------|----------------|---------------------|
| Interest on Deposits | \$ 1,016 | |
| Miscellaneous - County | <u>639,362</u> | \$ 640,378 |
| | | |
| Current Year Levy Due Current Fund | | 890,463 |
| Added & Omitted Taxes - Current Year | | <u>5,979</u> |
| | | |
| Total Receipts From Delinquent Taxes | | <u>\$ 1,536,820</u> |

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

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | PAID OR CHARGED | | | |
|--|---------------------|---------------------------------|-------------------|-----------------|-------------------|-------------------|
| | ORIGINAL BUDGET | BUDGET AFTER MODIFICATION | EXPENDED | ENCUMBERED | RESERVED | CANCELLED |
| Maintenance of Lands for Recreation & Conservation: | | | | | | |
| Salary and Wages | \$ 120,870 | \$ 120,870 | \$ 120,870 | \$ - | \$ - | \$ - |
| Other Expenses | 191,881 | 191,881 | 74,508 | 853 | 116,520 | - |
| Total | 312,751 | 312,751 | 195,378 | 853 | 116,520 | - |
| Capital Improvements: | | | | | | |
| Acquisition of Farmland | 45,000 | 45,000 | 7,921 | 566 | 36,513 | - |
| Debt Service: | | | | | | |
| Payment of Bond Principal | 214,872 | 214,872 | 214,872 | - | - | - |
| Payment of Bond Anticipation Notes & Capital Notes | 253,149 | 253,149 | 253,148 | - | - | 1 |
| Interest on Bonds | 238,071 | 238,071 | 55,804 | - | - | 182,267 |
| Interest on Notes | 140,187 | 140,187 | 16,530 | - | - | 123,657 |
| Total Debt Service | 846,279 | 846,279 | 540,354 | - | - | 305,925 |
| Total Statement of Expenditures | \$ 1,204,030 | \$ 1,204,030 | \$ 743,653 | \$ 1,419 | \$ 153,033 | \$ 305,925 |

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

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| ASSETS | REFERENCE | 2013 | 2012 |
|---|-----------|----------------------|----------------------|
| Cash | C-1 | \$ 220,792 | \$ 466,642 |
| Due from: | | | |
| State of New Jersey Transportation Trust | C | 41,000 | 339,750 |
| County of Burlington | C-6 | 235,000 | 235,000 |
| Community Development Block Grant | C | 37,700 | 37,700 |
| Trust Other Fund - Recreation Trust Fund | B | 25,000 | 25,000 |
| Water-Sewer Utility Capital Fund | D | 7,389 | 7,389 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-3 | 27,254,719 | 19,381,465 |
| Unfunded | C-4 | 4,857,443 | 16,401,216 |
| | | <u>\$ 32,679,043</u> | <u>\$ 36,894,162</u> |
| Total Assets | | <u>\$ 32,679,043</u> | <u>\$ 36,894,162</u> |
| | | | |
| LIABILITIES, RESERVES & FUND BALANCE | | | |
| General Serial Bonds | C-11 | \$ 26,618,400 | \$ 18,492,000 |
| Loans Payable | C-10 | 636,319 | 889,465 |
| Bond Anticipation Notes | C-12 | 216,518 | 11,687,407 |
| Improvement Authorizations: | | | |
| Funded | C-7 | 2,144,401 | 2,540,001 |
| Unfunded | C-7 | 1,641,123 | 2,735,585 |
| Due to Current Fund | A,C-9 | 772,640 | 50,790 |
| Reserve for Encumbrances | C-8 | 380,033 | 392,407 |
| Capital Improvement Fund | C-5 | 96,475 | 96,475 |
| Fund Balance | C | 173,134 | 10,032 |
| | | <u>\$ 32,679,043</u> | <u>\$ 36,894,162</u> |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 32,679,043</u> | <u>\$ 36,894,162</u> |

There was \$4,640,925 bonds and notes authorized but not issued on December 31, 2013 and \$4,713,809 as of December 31, 2012.

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| ASSETS | REFERENCE | 2013 | 2012 |
|---|-----------|----------------------|----------------------|
| Operating Fund: | | | |
| Cash | D-4 | \$ 3,072,156 | \$ 2,138,651 |
| Insurance Claims | D | 11,077 | 11,077 |
| Due from Water & Sewer Connection Trust | D-18 | 400,028 | 400,030 |
| Total | | 3,483,261 | 2,549,758 |
| Receivables & Other Assets With Full Reserves: | | | |
| Water & Sewer Rents Receivable | D-6 | 227,322 | 351,047 |
| Total Receivable & Other Assets With Full Reserves | | 227,322 | 351,047 |
| Total Operating Fund | | 3,710,583 | 2,900,805 |
| Assessment Trust Fund: | | | |
| Cash | D-4 | 666 | 666 |
| Total Assessment Trust Fund | | 666 | 666 |
| Sewer Connection Trust Fund: | | | |
| Cash | D-4 | 580,088 | 580,090 |
| Due Current Fund | A | 30,390 | 30,390 |
| Total Sewer Connection Trust Fund | | 610,478 | 610,480 |
| Capital Fund: | | | |
| Cash | D-4 | 1,409,924 | 985,170 |
| Fixed Capital: | | | |
| Completed | D-11 | 29,056,212 | 28,959,392 |
| Authorized & Uncompleted | D-10 | 48,743,476 | 48,592,476 |
| Due from Water & Sewer Operating Fund | D-9 | 91,937 | 92,194 |
| Due New Jersey Infrastructure Loan | D-5 | - | 872,294 |
| Total Capital Fund | | 79,301,549 | 79,501,526 |
| Total Assets | | \$ 83,623,276 | \$ 83,013,477 |

Bonds and Notes authorized but not issued as of December 31, 2013 & 2012 was \$1,542,358

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| LIABILITIES RESERVES & FUND BALANCE | REFERENCE | 2013 | 2012 |
|---|-----------|----------------------|----------------------|
| Operating Fund: | | | |
| Liabilities: | | | |
| Prepaid Rents | D-8 | \$ 596,259 | \$ 225,652 |
| Reserve for Encumbrances | D-3 | 253,485 | 235,343 |
| Appropriation Reserves | D-3 | 425,008 | 270,513 |
| Accounts Payable | D | 10,481 | 5,154 |
| Accrued Interest on Bonds & Notes | D-12 | 327,512 | 411,500 |
| Due to Water & Sewer Capital Fund | D, D-9 | 91,937 | 92,194 |
| | | <u>1,704,682</u> | <u>1,240,356</u> |
| Subtotal | | | |
| Reserve for Receivables | D | 227,322 | 351,047 |
| Fund Balance | D-1 | 1,778,579 | 1,309,402 |
| | | <u>3,710,583</u> | <u>2,900,805</u> |
| Total Operating Fund | | | |
| Assessment Trust Fund: | | | |
| Fund Balance | D | 666 | 666 |
| | | <u>666</u> | <u>666</u> |
| Total Assessment Trust Fund | | | |
| Sewer Connection Trust Fund: | | | |
| Due to Water & Sewer Operating Fund | D-18 | 400,028 | 400,030 |
| Accounts Payable - Due to Developers | D | 73,450 | 73,450 |
| Reserve for Sewer Connection Fees | D-19 | 137,000 | 137,000 |
| | | <u>610,478</u> | <u>610,480</u> |
| Total Sewer Connection Trust Fund | | | |
| Capital Fund: | | | |
| Serial Bonds | D-16 | 12,547,600 | 12,433,000 |
| Loans Payable | D-17 | 17,874,131 | 18,846,488 |
| Bond Anticipation Notes Payable | D-20 | - | 1,305,000 |
| Due General Capital Fund | C | 7,389 | 7,389 |
| Improvement Authorizations: | | | |
| Funded | D-13 | 1,605,874 | 1,126,542 |
| Unfunded | D-13 | 665,681 | 1,841,959 |
| Capital Improvement Fund | D-23 | 211,399 | 211,399 |
| Reserve for Encumbrances | D-14 | 190,361 | 296,700 |
| Reserve for Amortization | D-15 | 43,612,519 | 41,201,942 |
| Deferred Reserve for Amortization | D | 2,223,080 | 2,223,080 |
| Reserve for Debt Service | D-22 | 355,488 | - |
| Fund Balance | D | 8,027 | 8,027 |
| | | <u>79,301,549</u> | <u>79,501,526</u> |
| Total Capital Fund | | | |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 83,623,276</u> | <u>\$ 83,013,477</u> |

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

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

| | 2013 | 2012 |
|--|---------------------|---------------------|
| Revenue & Other Income Realized: | | |
| Surplus Anticipated | \$ 242,321 | \$ - |
| Water & Sewer Rents | 6,459,562 | 6,269,506 |
| Miscellaneous | 927,326 | 627,403 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 65,619 | 168,094 |
| Total Income | 7,694,828 | 7,065,003 |
| Expenditures: | | |
| Budget Appropriations: | | |
| Operating | 3,527,248 | 3,243,847 |
| Capital Improvements | 103,500 | 131,500 |
| Debt Service | 3,144,800 | 3,149,575 |
| Deferred Charges & Statutory Expenditures | 207,782 | 204,937 |
| Total Expenditures | 6,983,330 | 6,729,859 |
| Statutory Excess to Fund Balance | 711,498 | 335,144 |
| Fund Balance January 1 | 1,309,402 | 974,258 |
| Total | 2,020,900 | 1,309,402 |
| Less: Utilized by Operating Budget | 242,321 | - |
| Balance December 31 | \$ 1,778,579 | \$ 1,309,402 |

**STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | ANTICIPATED BUDGET | REALIZED | EXCESS OR (DEFICIT) |
|-----------------------|-----------------------|---------------------|------------------------|
| Surplus Anticipated | \$ 242,321 | \$ 242,321 | - |
| Water & Sewer Rents | 6,200,000 | 6,459,562 | 259,562 |
| Miscellaneous | 625,000 | 927,326 | 302,326 |
| Total Revenues | \$ 7,067,321 | \$ 7,629,209 | \$ 561,888 |

ANALYSIS OF MISCELLANEOUS REVENUES

| | | | |
|--|----------|------------|-------------------|
| Miscellaneous Receipts: | | | |
| Interest on Deposits | \$ 3,008 | | |
| Connection Fees | 794,059 | | |
| Penalties | 42,917 | | |
| Refunds & Reimbursements | 76,244 | | |
| Copy Costs | 9,271 | | |
| | | \$ 925,499 | |
| Due from Water & Sewer Utility Capital Fund: | | | |
| Interest on Deposits | | | 1,660 |
| Due from Sewer Connection Fee Trust Fund: | | | |
| Interest on Deposits | | | 167 |
| | | | \$ 927,326 |

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

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | APPROPRIATIONS | | | PAID OR CHARGED | | | UNEXPENDED BALANCE CANCELED |
|-----------------------------------|---------------------|---------------------------------|---------------------|-------------------|-------------------|------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | | PAID | ENCUMBRANCES | RESERVED | |
| Operating: | | | | | | | |
| Salaries & Wages | \$ 710,902 | \$ 717,202 | \$ 696,147 | \$ - | \$ - | \$ 21,055 | \$ - |
| Other Expenses | 2,857,762 | 2,810,046 | 2,226,254 | 201,211 | | 382,581 | - |
| Capital Improvements: | | | | | | | |
| Capital Outlay | 103,500 | 103,500 | 31,599 | 52,274 | | 19,627 | - |
| Debt Service: | | | | | | | |
| Payment of Bond & Loan | | | | | | | |
| Principal | 2,253,800 | 2,326,422 | 2,326,422 | - | - | - | - |
| Interest on Bonds & Loans | 914,000 | 896,474 | 818,378 | - | - | - | 78,096 |
| Interest on Notes | 19,575 | 5,895 | - | - | - | - | 5,895 |
| Statutory Expenditures: | | | | | | | |
| Contribution to: | | | | | | | |
| Public Employees | | | | | | | |
| Retirement System | 100,782 | 100,782 | 100,782 | - | - | - | - |
| Retiree Health Benefits | 52,000 | 52,000 | 52,000 | - | - | - | - |
| Social Security System | | | | | | | |
| (O.A.S.I.) | 55,000 | 55,000 | 53,255 | - | - | 1,745 | - |
| Total Expenditures | \$ 7,067,321 | \$ 7,067,321 | \$ 6,304,837 | \$ 253,485 | \$ 425,008 | \$ 83,991 | |
| Accrued Interest on Bonds & Loans | | | \$ (76,300) | | | | |
| Accrued Interest on Notes | | | (7,690) | | | | |
| Cash Disbursed | | | <u>6,388,827</u> | | | | |
| Total | | | <u>\$ 6,304,837</u> | | | | |

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

**TOWNSHIP OF MEDFORD
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

| ASSETS | <u>2013</u> | <u>2012</u> |
|------------------------------------|----------------------|----------------------|
| Land & Buildings | \$ 30,286,100 | \$ 30,286,100 |
| Equipment & Vehicles | <u>11,976,934</u> | <u>13,175,221</u> |
| Total | <u>\$ 42,263,034</u> | <u>\$ 43,461,321</u> |
| FUND BALANCE | | |
| Investment in General Fixed Assets | <u>\$ 42,263,034</u> | <u>\$ 43,461,321</u> |

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

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**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1: Summary of Significant Accounting Policies

Description of Financial Reporting Entity - The Township of Medford was incorporated in January, 1929 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2010 census is 23,033.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan E under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. There are five Council Members each elected to four-year terms. The Mayor is elected annually by the five Council Members. Administrative responsibility falls under the Township.

Component Units - The Township of Medford had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

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

In accordance with the "Requirements", the Township of Medford accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Funds - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

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

Water and Sewer Assessment Trust Fund - The Water and Sewer Assessment Trust Fund accounts for the receipt and disbursement of funds for special assessments levied on specific property owners.

Sewer Connection Fee Trust Fund - The Sewer Connection Fee Trust Fund accounts for the receipt and disbursement of funds for the issuance of sewer connection permits.

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1: Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1: Summary of Significant Accounting Policies (continued)

operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$1,000. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 1: Summary of Significant Accounting Policies (continued)

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

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

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

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

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

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

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

Note 1: Summary of Significant Accounting Policies (continued)

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

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

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

Sewer Connection Fee Trust Fund - Sewer connection permits that have been issued and paid to the Township prior to the issuance of a certificate of occupancy are deposited into a Sewer Connection Fee Trust Fund. Upon the issuance of a certificate of occupancy, the sewer connection permit fees are transferred to the Water and Sewer Utility Operating Fund and realized as revenue.

Subsequent Events - The Township has evaluated subsequent events occurring after December 31, 2013 through the date of April 11, 2014, which is the date the financial statements were available to be issued.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 2: Cash and Cash Equivalents

The Township is governed by the deposit limitations of New Jersey state law. The Deposits held at December 31, 2013, and reported at fair value are as follows:

| <u>Type</u> | <u>Carrying Value</u> |
|---|-----------------------|
| Deposits: | |
| Demand Deposits | \$ 16,695,331 |
| Total Deposits | <u>\$ 16,695,331</u> |
| Reconciliation of Statement of Comparative Balance Sheets: | |
| Current Fund | \$ 7,274,454 |
| State & Federal Grant Fund | 369,645 |
| Animal Control Trust | 17,966 |
| Trust - Other | 2,896,586 |
| Open Space Trust | 853,054 |
| General Capital | 220,792 |
| Utility Fund: | |
| Operating | 3,072,156 |
| Capital | 1,409,924 |
| Assessment Fund | 666 |
| Sewer Connection | <u>580,088</u> |
| Total | <u>\$ 16,695,331</u> |

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits may not be returned. The Township does have a deposit policy for custodial credit risk. December 31, 2013, the Township’s bank balance of \$16,863,985 was insured or collateralized as follows:

| | |
|--|----------------------|
| Insured | \$ 1,000,000 |
| Uninsured and uncollateralized | 3,464,444 |
| Collateralized in the Authority's Name | |
| Under GUDPA | 11,532,160 |
| Collateralized not in the Fund's Name | |
| New Jersey Cash Management (see below) | <u>867,381</u> |
| Total | <u>\$ 16,863,985</u> |

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 2: Cash and Cash Equivalents (continued)

as defined above. At December 31, 2013 the Township's deposits with the New Jersey Cash Management Fund are \$867,381.

Note 3: Interfund Receivables and Payables

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2013:

| | Due From | Due To |
|-------------------------|--------------|--------------|
| Current Fund | \$ 774,473 | \$ 942,772 |
| Grant Fund | 475 | - |
| General Capital | 32,389 | 772,640 |
| Water & Sewer Operating | 400,028 | 91,937 |
| Sewer Connection | 30,390 | 400,028 |
| Water & Sewer Capital | 91,937 | 7,389 |
| Trust Other | 10,718 | 25,000 |
| Open Space | 901,189 | - |
| Animal Control | - | 1,833 |
| | \$ 2,241,599 | \$ 2,241,599 |

The purpose of these interfunds is short-term borrowings.

Note 4: Property Taxes

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

Comparison of Tax Rate Information

| | 2013 | 2012 | 2011 |
|----------------------------|----------------|----------------|----------------|
| Total Tax Rate | <u>\$2.856</u> | <u>\$2.758</u> | <u>\$4.470</u> |
| Apportionment of Tax Rate: | | | |
| Municipal | 0.412 | 0.413 | 0.521 |
| County | 0.395 | 0.401 | 0.695 |
| Local School | 1.374 | 1.318 | 2.238 |
| Regional High School | 0.646 | 0.597 | 0.986 |
| Municipal Open Space | 0.029 | 0.029 | 0.030 |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note: 4: Property Taxes (continued):

Net Valuation Taxable:

| | | | |
|------|-------------------------|-------------------------|-------------------------|
| 2013 | <u>\$ 2,975,894,377</u> | | |
| 2012 | | <u>\$ 3,018,537,441</u> | |
| 2011 | | | <u>\$ 1,776,891,238</u> |

Comparison of Tax Levies and Collection Currently

| YEAR | TAX LEVY | CASH COLLECTIONS | PERCENTAGE OF COLLECTION |
|------|------------------|---------------------|--------------------------------|
| 2013 | \$ 16,447,697.78 | \$ 16,121,973.68 | 98.01% |
| 2012 | 16,246,163.87 | 15,836,168.78 | 97.48% |
| 2011 | 15,850,790.75 | 15,424,235.90 | 97.31% |

Delinquent Taxes and Tax Title Liens

| YEAR ENDED DECEMBER 31 | AMOUNT OF TAX TITLE LIENS | AMOUNT OF DELINQUENT TAXES | TOTAL DELINQUENT | PERCENTAGE OF TAX LEVY |
|---------------------------|---------------------------------|----------------------------------|---------------------|---------------------------|
| 2013 | \$ 414,969 | \$ 813,231 | \$ 1,228,200 | 1.84% |
| 2012 | 374,193 | 1,264,552 | 1,638,745 | 2.64% |
| 2011 | 451,807 | 1,527,280 | 1,979,087 | 1.89% |

Note: 5: Property Acquired By Tax Title Lien Liquidation

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

| YEAR | AMOUNT |
|------|------------|
| 2013 | \$ 371,400 |
| 2012 | 371,400 |
| 2011 | 371,400 |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 6: Pension Plans

A. Plan Description

The Township of Medford 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. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of *N.J.S.A.43:15A* and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of *N.J.S.A.43:16A*. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership 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 State of New Jersey P.F.R.S. program as established as of July 1, 1944. The program was established under the provisions of *N.J.S.A.43:16A*, which assigns authority to establish and amend, benefit provisions to the plans' board of trustees. 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 Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625, or calling (609) 984-1684.

B. Vesting and Benefit Provisions

The vesting and benefit provisions of P.E.R.S. are set by *N.J.S.A.43:15A* and *43.3B*. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The P.E.R.S. provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 5C below.

C. Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 6: Pension Plans (continued)

market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for P.E.R.S. were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the P.F.R.S. and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in P.E.R.S. will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 P.E.R.S. members will be age 65 and 30 years of service. Tier 3 was added to P.F.R.S. for enrollees after June 28, 2011. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

D. Contribution Requirements

The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. P.E.R.S. provide for employee contributions of 6.5%, effective October 1, 2011, of employees' annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both P.F.R.S. and P.E.R.S. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Plan members are required to contribute 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and Medford Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and 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, 2013, 2011 and 2010 were \$288,804, \$301,961, and \$325,519, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2013, 2011 and 2010 were \$1,061,292, \$1,185,208 and \$956,492, respectively, equal to the required contributions for each year.

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2013

Note 7: Other Post Employment Benefits

In General

The Other Post Employment Benefits provided by the Township of Medford is currently funded on a pay-as-you-go basis and includes medical and prescription drugs for retirees and spouses.

Eligibility

Township of Medford Police, UAW, and Water Sewer employees hired before January 1, 2013 who completed 20 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 25% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare. Employees on or after January 1, 2013 who completed 25 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 50% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare.

Township of Medford Firefighters hired before January 1, 2012 who completed 20 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 25% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare. Employees on or after January 1, 2012 who completed 25 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 50% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare.

Year of service are calculated based upon elapsed time.

Township of Medford's annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan's funding requirements is the "Unit Credit" method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year.

We have reviewed the premiums paid data during the twelve months of 2013 for health, prescription drugs, and vision for retirees less than age 65 and over age 65. As a result we have utilized an annual average claims cost of approximately \$29,196 per covered retiree for family coverage and \$11,676 for single coverage prior to age 65. For retirees age 65 and over we have utilized an annual average claims cost of approximately \$23,400 per covered retiree for family coverage and \$11,676 for single coverage.

Pursuant to Chapter 78 of P.L.2011, effective June 28, 2011, retirees are required to contribute for medical and prescription drugs benefits. The percent of premium contribution, derived from base salary or retirement allowance and type of coverage tier is multiplied by the total premium for the

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 7: Other Post Employment Benefits (continued)

cost of the coverage received by each employee or retiree. Retiree health insurance contributions do not apply to employees that have 20 years or more of service in a state or local retirement system as of the effective date and meet the eligibility requirements of the employer pursuant to N.J.S.A. 40A:10-23, (i.e., age 62 with 15 years of service or 25 years of service).

Benefit Obligations

At 12/31/2013 it's estimated that the actuarial accrued liability of benefit obligations of the Township of Medford for other post-employment benefits to be:

| | <u>12/31/2013</u> |
|---|-------------------|
| 1. For covered retired employees | \$21,053,575 |
| 2. For active or terminated vested participants who have satisfied the requirements (except for actually retiring) for retiree coverage | 1,433,827 |
| 3. For other active participants | 14,882,807 |
| 4. Total | 37,370,209 |
| 5. Assets | 0 |
| 6. Unfunded Actuarial Accrued Liability (5.) – (4.) | \$37,370,209 |

ANNUAL REQUIRED CONTRIBUTION (ARC)

At 12/31/2013 it's estimated the ARC of the plan for post-employment benefits to be:

| | <u>12/31/2013</u> |
|--|-------------------|
| 1. Annual Amount Toward Unfunded Actuarial Accrued Liability | \$2,315,224 |
| 2. Normal Cost for OPEB | 968,767 |
| 3. Total (1.) + (2.) | \$3,283,991 |

BENEFIT PAYMENT COMPARISON

At 12/31/2013, the OPEB was funded on a pay-as-you-go basis:

| | |
|--|---------------|
| 1. Pay-As-You-Go Retiree Medical Costs | \$1,401,072 * |
| 2 Annual Required Contribution (ARC) | 3,283,991 |
| 3 Net Increase (Decrease) (2.) – (1.) | 1,882,919 |

* Estimated costs.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 7: Other Post Employment Benefits (continued)

Assumptions

The following assumptions were used for the valuation:

1. MORTALITY. The mortality table employed in this valuation is the 1994 sex distinct Group Annuity Mortality Table.

2. DISCOUNT RATE. We have discounted future costs at the rate of 5.00% compounded annually.

3. TURNOVER. It is assumed that terminations of employment other than for death or retirement will occur in the future in accordance with The U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System some excerpts from which are:

| AGE | % TERMINATING |
|-----|---------------|
| 20 | 70.4% |
| 40 | 15.9% |
| 50 | 0.0% |

4. DISABILITY. It is assumed no terminations of employment due to disability. Retirees resulting from a disability were factored into our determination of age at retirement.

5. AGE AT RETIREMENT. It is assumed that the active participants, on average, will receive their benefits when eligible but no earlier than age 55.

6. FINAL AVERAGE SALARY. It is assumed that the final average salary for retirees age 55 and over is \$43,793. Future retirees are assumed to contribute toward retiree health premiums pursuant to Chapter 78, P.L. 2011.

7. SPOUSAL COVERAGE. It is assumed that married employees will remain married.

8. HEALTH CARE COST INFLATION. It is assumed that health care gross costs will increase an annual rate of 7.0% for Pre-Medicare medical benefits and 5% for Post-Medicare medical benefits.

9. ADMINISTRATION EXPENSES. It is assumed that the annual cost to administer the retiree claims, approximately 2%, is included in the annual health care costs.

Note 8: Compensated Absences

Township employees are entitled to paid vacation and comp-time depending upon their length of service with the Township. Vacation days not used during the year may be accumulated and carried forward to the next succeeding year. Vacation days carried forward must be used in the next succeeding year or be forfeited. Vacation time unused is reimbursed to the employee at their current rate of pay upon termination. Comp-time may be carried forward to succeeding years up to a maximum of 480 hours for police employees and 240 hours for all other employees. Comp-time unused is reimbursed to the employee at their current rate of pay upon termination. Sick time is accumulated and carried forward to succeeding years but is not reimbursed to employees upon termination. The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2013:

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 8: Compensated Absences(continued)

| | | |
|---------------------------------|-----------|----------------|
| Vacation | \$ | 332,301 |
| Comp | | 50,197 |
| Employer Share of Payroll Taxes | | <u>29,261</u> |
| Total | <u>\$</u> | <u>411,759</u> |

Note 9: Deferred Compensation Salary Account

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

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

Note 10: Length of Service Awards Program

The Township's Length of Service Awards Program (LOSAP) was created by a Township Ordinance adopted on August 27, 2002 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Medford approved the adoption of the LOSAP at the general election held on November 5, 2002, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2003. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

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

As required by *N.J.A.C.5:30-14.49*, the Township must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Note 11: Sanitary Landfill Escrow Closure Fund

The Township of Medford operates a municipal landfill located in the southern part of the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 11: Sanitary Landfill Escrow Closure Fund (continued)

a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

At December 31, 2013, it is estimated that the landfill has reached 100% of its holding capacity. However, the escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 12: Lease Obligations

December 31, 2013, the Township had lease agreements in effect for the following:

Capital Leases:

Two (2) Xerox Copiers

The following is an analysis of capital leases:

| | Balance Dec. 31, 2012 | Increases | Decreases | Balance Dec. 31, 2013 |
|-----------------|--------------------------------------|------------------|------------------|--------------------------------------|
| 2 Xerox Copiers | \$10,140 | \$ - | \$ 4,056 | \$6,084 |

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

| Year | Amount |
|-------------|---------------|
| 2014 | 4,056 |
| 2015 | 2,028 |

Rental payments under operating leases for the year 2013 were \$4,056.

Note 13. Fixed Assets

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2013:

| | Balance December 31, <u>2012</u> | <u>Additions</u> | <u>Deletions</u> | Balance December 31, <u>2013</u> |
|-----------------------|---|--------------------------|----------------------------|---|
| Land & Buildings | \$ 30,286,100 | \$ - | \$ - | \$ 30,286,100 |
| Furniture & Equipment | <u>13,175,221</u> | <u>151,967</u> | <u>1,350,254</u> | <u>11,976,934</u> |
| Total | <u>\$ 43,461,321</u> | <u>\$ 151,967</u> | <u>\$ 1,350,254</u> | <u>\$ 42,263,034</u> |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 14: Capital Debt

Summary of Debt:

| <u>Issued</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|----------------------|----------------------|----------------------|
| General Bonds, Loans and Notes | \$ 27,471,237 | \$ 31,068,872 | \$ 34,948,925 |
| Water/Sewer Utility Capital Bonds, Loans and Notes | <u>30,421,731</u> | <u>32,584,488</u> | <u>34,780,901</u> |
| Total Debt Issued | <u>57,892,968</u> | <u>63,653,360</u> | <u>69,729,826</u> |
| Authorized But Not Issued | | | |
| General Bonds and Notes | 4,640,925 | 4,713,809 | 4,303,216 |
| Water/Sewer Utility Bond and Notes | <u>1,542,358</u> | <u>1,542,358</u> | <u>1,542,358</u> |
| Total Authorized But Not Issued | <u>6,183,283</u> | <u>6,256,167</u> | <u>5,845,574</u> |
| Total Bonds and Notes Issued and Authorized But Not Issued | <u>\$ 64,076,251</u> | <u>\$ 69,909,527</u> | <u>\$ 75,575,400</u> |

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

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 1.01%

| | GROSS DEBT | DEDUCTIONS | NET DEBT |
|-------------------------------|-----------------------|----------------------|----------------------|
| Regional High School District | \$ 14,035,227 | \$ 14,035,227 | \$ - |
| Local School District Debt | 27,065,000 | 27,065,000 | - |
| Water & Sewer Utility Debt | 31,964,089 | 31,964,089 | - |
| General Debt | <u>32,185,046</u> | - | <u>32,185,046</u> |
| Total | <u>\$ 105,249,362</u> | <u>\$ 73,064,316</u> | <u>\$ 32,185,046</u> |

Net Debt, \$32,112,162 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$3,159,006,940 equals 1.02%.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 14: Capital Debt (continued)

Borrowing Power Under 40A:2-6:

| | | |
|---|----|-------------|
| 3 1/2% of Equalized Valuation Bases (Municipal) | \$ | 110,565,243 |
| Net Debt | | 32,112,162 |
| Remaining Borrowing Power | \$ | 78,453,081 |

Calculation of Self-Liquidating Purpose - Water Utility per N.J.S.40A:2-45

| | | |
|---|----|--------------|
| Cash Receipts From Fees, Rents & Other Charges | \$ | 7,386,888 |
| Deductions: | | |
| Operating & Maintenance Costs | \$ | 3,413,522 |
| Debt Service per Water & Sewer Utility Operating Fund | | 3,144,800 |
| | | 6,558,322.00 |
| Excess Revenue - Self Liquidating | \$ | 828,566 |

General Debt - Bonds:

| Calender Year | General Debt - Bonds | | |
|------------------|----------------------|---------------|---------------|
| | Interest | Principal | Total |
| 2014 | \$ 782,708 | \$ 3,908,200 | \$ 4,690,908 |
| 2015 | 674,782 | 3,632,600 | 4,307,382 |
| 2016 | 563,955 | 3,170,200 | 3,734,155 |
| 2017 | 475,051 | 2,963,000 | 3,438,051 |
| 2018 | 595,641 | 2,950,800 | 3,546,441 |
| 2019-2023 | 1,166,750 | 3,548,600 | 4,715,350 |
| 2024-2028 | 807,069 | 2,975,000 | 3,782,069 |
| 2029-2033 | 331,875 | 3,470,000 | 3,801,875 |
| | \$ 5,397,831 | \$ 26,618,400 | \$ 32,016,231 |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 14: Capital Debt (continued)

Green Acres Loans:

| Calender Year | General Debt - Green Acres | | |
|------------------|----------------------------|-------------------|-------------------|
| | Interest | Principal | Total |
| 2014 | \$ 12,726 | \$ 185,920 | \$ 198,646 |
| 2015 | 9,008 | 116,618 | 125,626 |
| 2016 | 6,676 | 118,962 | 125,638 |
| 2017 | 4,296 | 121,355 | 125,651 |
| 2018 | 1,869 | 61,999 | 63,868 |
| 2019-2020 | 629 | 31,465 | 32,094 |
| | <u>\$ 35,204</u> | <u>\$ 636,319</u> | <u>\$ 671,523</u> |

Water & Sewer Utility Bonds:

| Year | Interest | Principal | Total |
|-----------|---------------------|----------------------|----------------------|
| 2014 | \$ 403,167 | \$ 1,262,800 | \$ 1,665,967 |
| 2015 | 331,206 | 1,117,400 | 1,448,606 |
| 2016 | 303,258 | 978,800 | 1,282,058 |
| 2017 | 277,962 | 905,000 | 1,182,962 |
| 2018 | 254,302 | 925,200 | 1,179,502 |
| 2019-2023 | 889,877 | 4,229,400 | 5,119,277 |
| 2024-2028 | 206,886 | 2,039,000 | 2,245,886 |
| 2029-2032 | 71,225 | 1,090,000 | 1,161,225 |
| | <u>\$ 2,737,883</u> | <u>\$ 12,547,600</u> | <u>\$ 15,285,483</u> |

Water Loans Payable:

| Calender Year | Water & Sewer Loans | | |
|------------------|---------------------|----------------------|----------------------|
| | Interest | Principal | Total |
| 2014 | 444,070 | 994,760 | \$ 1,438,830 |
| 2015 | 423,088 | 1,014,140 | 1,437,228 |
| 2016 | 400,588 | 1,040,461 | 1,441,049 |
| 2017 | 376,838 | 1,071,338 | 1,448,176 |
| 2018 | 351,587 | 1,089,280 | 1,440,867 |
| 2019-2023 | 1,356,825 | 5,739,693 | 7,096,518 |
| 2024-2028 | 605,400 | 5,887,958 | 6,493,358 |
| 2029-2030 | 35,500 | 1,036,501 | 1,072,001 |
| | <u>\$ 3,993,896</u> | <u>\$ 17,874,131</u> | <u>\$ 21,868,027</u> |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 15. Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various 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 ten years. 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 an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

At December 31, 2013, the Township had the following outstanding bond anticipation notes:

| <u>Purpose</u> | <u>Maturity</u> | <u>Interest Rate</u> | <u>Amount</u> |
|------------------------------|-----------------|----------------------|--------------------------|
| General Capital Fund: | | | |
| Various Capital Improvements | 2/10/13 | NIL | <u>\$ 216,518</u> |
| Total | | | <u><u>\$ 216,518</u></u> |

Note 16. Special Emergency Notes

At December 31, 2013, the Township had the following outstanding special emergency notes:

| <u>Purpose</u> | <u>Maturity</u> | <u>Interest Rate</u> | <u>Amount</u> |
|----------------|-----------------|----------------------|--------------------------|
| Current Fund: | | | |
| Revaluation | 5/20/2014 | 1.65% | <u>\$ 560,000</u> |
| Total | | | <u><u>\$ 560,000</u></u> |

Note 17. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 17. Deferred Charges to be Raised in Succeeding Budgets (continued)

| | Balance Dec 31, 2013 | 2014 Budget Appropriation |
|-------------------|----------------------------|---------------------------------|
| Current Fund: | | |
| Special Emergency | \$ 440,000 | \$ 160,000 |
| Emergency | 400,000 | 400,000 |

The appropriations in the 2014 Budget as adopted are not less than that required by the statutes.

Note 18: School Taxes

The Medford Township School District and the Lenape Regional High School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

| | Balance December 31, 2013 | 2012 |
|-----------------------------|------------------------------|---------------|
| Local School Tax | | |
| Balance of Tax | \$ 20,392,306 | \$ 19,825,859 |
| Deferred | 19,507,879 | 19,507,879 |
| Local School Tax Payable | \$ 884,427 | \$ 317,980 |
| Regional School Tax | | |
| Balance of Tax | \$ 9,614,669 | \$ 9,017,582 |
| Deferred | 8,516,977 | 8,516,977 |
| Regional School Tax Payable | \$ 1,097,692 | \$ 500,605 |

Note 19: Reserve for Interest Rebate

The Tax Reform Act of 1986 placed restrictions on the investments of the proceeds of certain tax exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement.

The Township of Medford has the following bond issues outstanding that require a rebate calculation:

| Issue Date | Settlement Date | Amount |
|-------------------|-------------------|---------------|
| July 1, 2005 | July 26, 2005 | \$ 650,000.00 |
| December 28, 2006 | December 28, 2006 | 689,000.00 |
| July 23, 2008 | July 23, 2008 | 9,500,000.00 |
| May 9, 2013 | May 9, 2013 | 11,470,000.00 |

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 20: Joint Insurance Pool

The Township of Medford is a member of the Professional Municipal Management 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

Note 20: Joint Insurance Pool (continued)

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, 2013, which can be obtained from:

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

Note 21: New Jersey Unemployment Compensation Insurance

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

| Year | Township Contributions | Amount Reimbursed | Ending Balance |
|------|---------------------------|----------------------|-------------------|
| 2013 | \$ 8,087 | \$ 35,007 | \$ 42,235 |
| 2012 | 185,000 | 127,781 | 69,155 |
| 2011 | 130,000 | 182,464 | 3,286 |

Note 22: Guarantor of Debt

In 2006, the Township became co-borrower of various loans for the reconstruction of several dams located within the Township. All of the loans were made from the New Jersey Department of Environmental Protection, Dam Restoration Loan Program. In the event the original borrower defaults on a loan the Township will be required to make the remaining payments. The terms of the loans are as follows:

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2013**

Note 22: Guarantor of Debt (continued)

| Agreement Borrowers Name | Interest Date | Amount | Rate | Term |
|-------------------------------------|--------------------------|---------------|-------------|-------------|
| Old Taunton Colony Club | 01/10/06 | \$ 433,440.00 | 2.00% | 20 Years |
| YMCA Camp Ockanickon, Inc. | 01/10/06 | 1,809,000.00 | 2.00% | 20 Years |
| Birchwood Lake Colony Club | 01/24/06 | 2,340,000.00 | 2.00% | 20 Years |
| Jewish Federation of Southern NJ | 01/24/06 | 227,500.00 | 2.00% | 20 Years |

In addition, the Township acts as a fiduciary for the Birchwood Lakes Colony Club with regards to collecting the annual billings of their association for the repayment of their loan and then pays their debt service payments with the collections.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | <u>REGULAR</u> | <u>BIRCHWOOD LAKE DAM</u> | <u>FEDERAL & STATE GRANT FUND</u> |
|--------------------------------------|-------------------|-------------------------------|---|
| Balance December 31, 2012 | \$ 6,049,918 | \$ 298,852 | \$ 109,794 |
| Increased by Receipts: | | | |
| Taxes Receivable | \$ 84,657,103 | \$ - | \$ - |
| Prepaid Taxes | 485,736 | - | - |
| Tax Title Liens Receivable | 99,526 | - | - |
| Proceeds from Special Emergency Note | 560,000 | - | - |
| Due State of New Jersey: | | | |
| Marriage License Fees | 2,105 | - | - |
| Senior Citizens & Verterans | | | |
| Deductions | 191,625 | - | - |
| Construction Code Fees | 28,325 | - | - |
| Miscellaneous Revenue | | | |
| Anticipated | 4,971,515 | - | - |
| Miscellaneous Revenue | | | |
| Not Anticipated | 219,328 | - | - |
| Petty Cash Funds | 350 | - | - |
| Due Capital Fund | 165,387 | - | - |
| Due Trust Other Fund | 2,546 | - | - |
| Reserve for: | | | |
| Insurance Claims | 27,217 | - | - |
| Election Funds | 1,560 | - | - |
| Municipal Court POAA | 16 | - | - |
| Public Safety Equipment | 5,775 | - | - |
| Auction | 21,265 | - | - |
| OPRA Requests | 352 | - | - |
| Homeowners Dam Restoration | - | 186,352 | - |
| Federal & State Grants | | | |
| Receivable | - | - | 533,235 |
| Federal & State Grants | | | |
| Unappropriated | - | - | 71,521 |
| Total Receipts | <u>91,439,731</u> | <u>186,352</u> | <u>604,756</u> |
| Subtotal | <u>97,489,649</u> | <u>485,204</u> | <u>714,550</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | <u>REGULAR</u> | <u>BIRCHWOOD LAKE DAM</u> | <u>FEDERAL & STATE GRANT FUND</u> |
|--|---------------------|-------------------------------|---|
| Decreased by Disbursements: | | | |
| 2013 Appropriations | 16,687,434 | - | - |
| 2012 Appropriation Reserves | 1,266,718 | - | - |
| Due County - Added & Omitted Taxes | 71,934 | - | - |
| County Taxes Payable | 10,750,331 | - | - |
| County Library Taxes Payable | 935,505 | - | - |
| Local School Taxes Payable | 40,332,405 | - | - |
| Regional High School Taxes Payable | 18,632,253 | - | - |
| Due State of New Jersey: | | | |
| Marriage License Fees | 1,980 | - | - |
| Construction Code Fees | 26,292 | - | - |
| Petty Cash Funds | 350 | - | - |
| Reserve for: | | | |
| Auction Proceeds | 21,311 | - | - |
| Election Funds | 984 | - | - |
| Insurance Claims | 14,147 | - | - |
| Homeowners Dam Restoration | - | 164,594 | - |
| Due General Capital Fund | 887,237 | - | - |
| Refund of Tax Overpayments | 194,803 | - | - |
| Accounts Payable | 12,521 | - | - |
| Special Emergency Note Payable | 700,000 | - | - |
| Federal & State Grants Appropriated | - | - | 344,901 |
| | <u>90,536,205</u> | <u>164,594</u> | <u>344,901</u> |
| Total Disbursements | | | |
| | <u>\$ 6,953,444</u> | <u>\$ 320,610</u> | <u>\$ 369,649</u> |

EXHIBIT A-5

**SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

| OFFICE | AMOUNT |
|-----------------|---------------|
| Tax Office | \$ 200 |
| Municipal Court | <u>200</u> |
| Total | <u>\$ 400</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2013**

| YEAR | BALANCE DECEMBER 31, 2012 | 2013 LEVY | ADDED TAXES | COLLECTED 2012 | COLLECTED 2013 | DUE FROM STATE OF NEW JERSEY | TRANSFER TO TAX TITLE LIENS | OVERPAYMENT CREATED | CANCELED | BALANCE DECEMBER 31, 2013 |
|-------|---------------------------------|--------------|----------------|-------------------|-------------------|------------------------------------|-----------------------------------|------------------------|------------|---------------------------------|
| 2011 | \$ 20 | \$ - | \$ - | \$ - | \$ 18 | \$ - | \$ - | \$ 4,573 | \$ 4,573 | \$ - |
| 2012 | 1,264,532 | - | - | - | 1,158,373 | 500 | 33,187 | - | 72,472 | \$ - |
| Total | 1,264,552 | - | - | - | 1,158,391 | 500 | 33,187 | 4,573 | 77,045 | 2 |
| 2013 | - | \$84,990,472 | 599,852 | \$ 887,905 | 83,258,170 | 187,500 | 103,460 | - | 340,060 | 813,229 |
| Total | \$ 1,264,552 | \$84,990,472 | \$ 599,852 | \$ 887,905 | \$ 84,416,561 | \$ 188,000 | \$ 136,647 | \$ 4,573 | \$ 417,105 | \$ 813,231 |

ANALYSIS OF 2013 PROPERTY TAX LEVY

| | |
|---|----------------------|
| General Purpose Tax | \$ 84,990,472 |
| Added & Omitted Taxes (54:4-6 et seq) | 599,852 |
| Total | \$ 85,590,324 |
| TAX LEVY: | |
| Local District School Tax | \$ 40,898,852 |
| Regional High School Tax | 19,229,340 |
| County Taxes: | |
| County Tax | \$ 10,298,023 |
| County Library Tax | 935,505 |
| County Open Space Preservation | 452,308 |
| Due County for Added & Omitted Taxes | 84,369 |
| Local Open Space Tax | 11,770,205 |
| Due Open Space Trust Fund for Added & Omitted Taxes | 890,463 |
| Local Tax for Municipal Purposes | 5,979 |
| Add: Additional Taxes Levied | 12,274,462 |
| | 521,023 |
| Total | \$ 85,590,324 |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|---------------------------------|----|---------|----------------|
| Balance December 31, 2012 | | \$ | 374,193 |
| Increased by: | | | |
| Transfers From Taxes Receivable | \$ | 136,647 | |
| Interest & Cost on Taxes | | 3,655 | 140,302 |
| | | | <hr/> |
| Subtotal | | | 514,495 |
| Decreased by: | | | |
| Collections | | | 99,526 |
| | | | <hr/> |
| Balance December 31, 2013 | | \$ | <u>414,969</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE DECEMBER 31, 2012 | ACCRUED IN 2013 | COLLECTED | BALANCE DECEMBER 31, 2013 |
|--|---------------------------------|---------------------|---------------------|---------------------------------|
| Miscellaneous Revenue Anticipated: | | | | |
| Licenses - Alcoholic Beverages | \$ - | \$ 23,188 | \$ 23,188 | \$ - |
| Fees & Permits - Other | - | 118,431 | 118,431 | - |
| Fines & Cost Municipal Court | 17,436 | 223,900 | 226,788 | 14,548 |
| Interest & Costs on Taxes | - | 207,127 | 207,127 | - |
| Interest on Investments & Deposits | - | 7,368 | 7,368 | - |
| Alarm Fees | - | 9,800 | 9,800 | - |
| Cable Television Fees | - | 332,796 | 332,796 | - |
| Emergency Medical Service Billing Income | - | 606,740 | 606,740 | - |
| Auction Proceeds | - | 273,238 | 273,238 | - |
| Consolidated Municipal Property Tax Relief Aid | - | 12,794 | 12,794 | - |
| Energy Receipts Tax | - | 1,968,499 | 1,968,499 | - |
| Reserve for Payment in Lieu of Taxes - Garder State Trust | - | 69,079 | 69,079 | - |
| Uniform Construction Code Fees | - | 618,581 | 618,581 | - |
| Interlocal Services Agreement: | - | | | - |
| Police Salaries-Lenape Regional High | - | 312,534 | 312,534 | - |
| Interlocal Services Agreement - Zoning: | - | 37,000 | 37,000 | - |
| Developer's Contribution | - | 35,000 | 35,000 | - |
| Uniform Fire Safety Act | - | 57,867 | 57,867 | - |
| FEMA Revenue | - | 54,685 | 54,685 | - |
| Total Anticipated Revenues | \$ 17,436 | \$ 4,968,627 | \$ 4,971,515 | \$ 14,548 |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| OPERATIONS | ENCUMBERED | RESERVED | BALANCE AFTER TRANSFERS | EXPENDED | TRANSFER TO ACCOUNTS PAYABLE | BALANCE LAPSED |
|--|------------|-----------|-------------------------------|----------|------------------------------------|-------------------|
| General Government Functions: | | | | | | |
| General Administration: | | | | | | |
| Office of the Manager: | | | | | | |
| Salaries and Wages | \$ - | \$ 11,003 | \$ 11,003 | \$ 7,617 | \$ - | \$ 3,386 |
| Other Expenses | 259 | 720 | 979 | 342 | - | 637 |
| Human Resources: | | | | | | |
| Other Expenses | - | 1,069 | 1,069 | - | - | 1,069 |
| Mayor & Council: | | | | | | |
| Other Expenses | 62 | 286 | 348 | 62 | - | 286 |
| Municipal Clerk: | | | | | | |
| Salaries and Wages | - | 4,231 | 4,231 | 3,505 | - | 726 |
| Other Expenses | 1,469 | 3,065 | 4,534 | 4,401 | - | 133 |
| Financial Administration: | | | | | | |
| Office of Treasurer: | | | | | | |
| Salaries and Wages | - | 16,128 | 16,128 | 6,224 | - | 9,904 |
| Other Expenses | 11,466 | 3,004 | 14,470 | 11,716 | - | 2,754 |
| Audit Services | - | 33,396 | 33,396 | 33,396 | - | - |
| Revenue Administration: | | | | | | |
| Salaries and Wages | - | 9,970 | 9,970 | 3,042 | - | 6,928 |
| Other Expenses | 1,266 | 1,129 | 2,395 | 1,266 | - | 1,129 |
| Division of Assessments: | | | | | | |
| Salaries and Wages | - | 17,522 | 22,722 | 22,491 | - | 231 |
| Other Expenses | 4,582 | 7,807 | 12,389 | 3,478 | 1,198 | 7,713 |
| Legal Services & Costs: | | | | | | |
| Other Expenses | 38,461 | 10,026 | 58,387 | 27,926 | 30,461 | - |
| Engineering Services & Costs: | | | | | | |
| Other Expenses | 2,740 | 1,615 | 8,855 | 4,232 | 524 | 4,099 |
| Division of Planning: | | | | | | |
| Salaries and Wages | - | 2,393 | 2,393 | 1,919 | - | 474 |
| Other Expenses | 18,160 | 2,970 | 31,130 | 10,301 | 12,976 | 7,853 |
| Division of Zoning: | | | | | | |
| Other Expenses | 1,895 | 1,351 | 3,246 | 2,008 | - | 1,238 |
| Department of Public Safety: | | | | | | |
| Police: | | | | | | |
| Salaries and Wages | - | 154,800 | 154,800 | 154,800 | - | - |
| Other Expenses | 75,671 | 4,538 | 80,209 | 79,953 | - | 256 |
| Fire: | | | | | | |
| Other Expenses | 23,776 | 8,296 | 32,072 | 20,607 | - | 11,465 |
| First Aid Organizations: | | | | | | |
| Salaries and Wages | - | 14,451 | 14,451 | 6,654 | - | 7,797 |
| Other Expenses | 29,166 | 25,309 | 54,475 | 27,637 | - | 26,838 |
| Emergency Management Services: | | | | | | |
| Other Expenses | - | 577 | 577 | 272 | - | 305 |
| Uniform Fire Safety Act: PL1983C.383): | | | | | | |
| Salaries and Wages | - | 17,024 | 17,024 | 16,225 | - | 799 |
| Other Expenses | 5,653 | 2,215 | 7,868 | 4,300 | - | 3,568 |
| Prosecutor: | | | | | | |
| Other Expenses - Contractual | - | 11,650 | 11,650 | 5,600 | - | 6,050 |
| Department of Public Works: | | | | | | |
| Road Repairs & Maintenance: | | | | | | |
| Salaries and Wages | - | 23,015 | 15,915 | 5,508 | - | 10,407 |
| Other Expenses | 27,563 | 34,669 | 57,732 | 28,192 | 44 | 29,496 |
| Snow Removal: | | | | | | |
| Salaries and Wages | - | 43,597 | 43,597 | 43,597 | - | - |
| Other Expenses | - | 256,229 | 256,229 | 256,229 | - | - |
| Sanitation: | | | | | | |
| Salaries and Wages | - | 284,438 | 224,438 | 30,681 | - | 193,757 |
| Other Expenses | 80,377 | 43 | 130,420 | 112,934 | - | 17,486 |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| OPERATIONS | ENCUMBERED | RESERVED | BALANCE AFTER TRANSFERS | EXPENDED | TRANSFER TO ACCOUNTS PAYABLE | BALANCE LAPSED |
|--|-------------------|---------------------|-------------------------------|---------------------|------------------------------------|---------------------|
| Building & Grounds: | | | | | | |
| Salaries and Wages | - | 6,395 | 6,395 | 2,880 | - | 3,515 |
| Other Expenses | 19,703 | 4,300 | 24,003 | 9,343 | - | 14,660 |
| Shade Tree Program: | | | | | | |
| Salaries and Wages | - | 713 | 2,613 | 170 | - | 2,443 |
| Other Expenses | 15 | 11,785 | 1,900 | 15 | - | 1,885 |
| Vehicle Maintenance: | | | | | | |
| Salaries and Wages | - | 57,081 | 57,081 | 2,301 | - | 54,780 |
| Other Expenses | 95,513 | 36,858 | 132,371 | 54,756 | 730 | 76,885 |
| Health & Human Services: | | | | | | |
| Other Expenses | 70 | 30 | 100 | - | - | 100 |
| Parks & Recreation: | | | | | | |
| Recreation Programs: | | | | | | |
| Salaries and Wages | - | 301 | 301 | 301 | - | - |
| Other Expenses | 2,711 | 18 | 2,729 | 1,888 | - | 841 |
| Parks & Playgrounds: | | | | | | |
| Salaries and Wages | - | 39,633 | 39,633 | 16,902 | - | 22,731 |
| Other Expenses | 6,298 | 20,755 | 27,053 | 7,580 | - | 19,473 |
| Landfill/Solid Waste Disposal | - | 96,405 | 96,405 | 53,921 | - | 42,484 |
| Economic Development Committee: | | | | | | |
| Other Expenses | - | 100 | 100 | - | - | 100 |
| Community Services: | | | | | | |
| Other Expenses | - | 763 | 763 | - | - | 763 |
| Municipal Court: | | | | | | |
| Salaries and Wages | - | 4,705 | 5,772 | 5,770 | - | 2 |
| Other Expenses | 509 | 1,339 | 781 | 237 | - | 544 |
| Insurance: | | | | | | |
| Employee Group Insurance | - | 14,265 | 14,265 | 14,265 | - | - |
| Health Benefits Waivers | - | 47,814 | 47,814 | - | - | 47,814 |
| Retiree Health Benefits | - | 1,355 | 1,355 | - | - | 1,355 |
| Liability | - | 101,820 | 101,820 | 165 | - | 101,655 |
| Hepatitis Vaccination: | | | | | | |
| Other Expenses | - | 1,000 | 1,000 | - | - | 1,000 |
| Uniform Construction Code Appropriations | | | | | | |
| Offset by Dedicated Revenues: | | | | | | |
| Construction Code Official: | | | | | | |
| Salaries and Wages | - | 17,236 | 17,236 | 6,133 | - | 11,103 |
| Other Expenses: | | | | | | |
| Direct Costs | 127 | 1,500 | 1,627 | 127 | - | 1,500 |
| Unclassified: | | | | | | |
| Celebration of Public Events, | - | 2,447 | 2,447 | - | - | 2,447 |
| Utilities: | | | | | | |
| Electric | - | 51,147 | 51,147 | 14,323 | - | 36,824 |
| Street Lighting | - | 26,079 | 26,079 | 14,732 | - | 11,347 |
| Telephone & Telegraph | - | 10,891 | 10,891 | 4,080 | - | 6,811 |
| Water & Sewer | - | 22 | 22 | - | - | 22 |
| Heating Gas/Oil | 2,500 | 43,090 | 45,590 | 2,742 | - | 42,848 |
| Gasoline/Diesel Fuel | 86,501 | 6,149 | 92,650 | 28,242 | - | 64,408 |
| Safety Supplies | 528 | 214 | 742 | 528 | - | 214 |
| Cultural Arts Commission: | | | | | | |
| Other Expenses | - | 250 | 250 | - | - | 250 |
| Statutory Expenditures: | | | | | | |
| Social Security System (O.A.S.I.) | - | 221,450 | 221,450 | 21,814 | - | 199,636 |
| OPERATIONS EXCLUDED FROM "CAPS": | | | | | | |
| LOSAP | 67,000 | 3,000 | 70,000 | 66,300 | - | 3,700 |
| Interlocal Service Agreement: | | | | | | |
| Police Salaries - Lenape | - | 88 | 88 | 88 | - | - |
| Total General Appropriations | \$ 604,041 | \$ 1,839,534 | \$ 2,443,575 | \$ 1,266,718 | \$ 45,933 | \$ 1,130,924 |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|-------------------------------|----|---------|----------------|
| Balance December 31, 2012 | | \$ | 71,510 |
| Increased by: | | | |
| Overpayments Created in 2013: | | | |
| 2013 Taxes | \$ | 157,189 | |
| Prior Year Taxes | | 127,072 | 284,261 |
| | | | |
| Subtotal | | | 355,771 |
| Decreased by: | | | |
| Applied to Prior Year Taxes | | 43,579 | |
| Refunded | | 194,803 | 238,382 |
| | | | |
| Balance December 31, 2013 | | \$ | <u>117,389</u> |

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|--|--|----|----------------|
| Balance December 31, 2012 (2013 Taxes) | | \$ | 887,905 |
| Increased by: | | | |
| Collections | | | 485,736 |
| | | | |
| Subtotal | | | 1,373,641 |
| Decreased by: | | | |
| Applied to 2013 Taxes Receivable | | | 887,905 |
| | | | |
| Balance December 31, 2013 (2014 Taxes) | | \$ | <u>485,736</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZENS & VETERANS DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--|----------------|-------------------------|
| Balance December 31, 2012 | | \$ 91,125 |
| Increased by: | | |
| Cash Received | | <u>191,625</u> |
| Subtotal | | 282,750 |
| Decreased by: | | |
| 2013 Levy - Deductions per Tax Billing | \$ 184,500 | |
| 2013 Veterans & Senior Citizens Granted by Tax Collector | 5,500 | |
| Prior Years Veterans & Senior Citizens Granted by Tax Collector | 500 | |
| Less: 2013 Veterans & Senior Citizens Disallowed by Tax Collector | <u>(2,500)</u> | <u>188,000</u> |
| Balance December 31, 2013 | | <u><u>\$ 94,750</u></u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE COUNTY FOR ADDED & OMITTED TAXES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|-------------------------|
| Balance December 31, 2012 | \$ 71,934 |
| Increased by: | |
| County Share of 2013 Levy | <u>84,369</u> |
| Subtotal | 156,303 |
| Decreased by: | |
| Payments | <u>71,934</u> |
| Balance December 31, 2013 | <u><u>\$ 84,369</u></u> |

ANALYSIS OF BALANCE DECEMBER 31, 2013

| | |
|----------------------------|-------------------------|
| Rollback Taxes (2011) | \$ 6,842 |
| Rollback Taxes (2012) | 10,529 |
| Rollback Taxes (2013) | 9,895 |
| Added Taxes (2012) | 1,599 |
| Added Taxes (2013) | 53,189 |
| Omitted/Added Taxes (2012) | <u>2,585</u> |
| Total | <u><u>\$ 84,639</u></u> |

**SCHEDULE OF DUE COUNTY TAXES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|--------------------|
| Balance December 31, 2012 | \$ - |
| Increased by: | |
| County Share of 2013 Levy | <u>11,685,836</u> |
| Subtotal | 11,685,836 |
| Decreased by: | |
| Payments | <u>11,685,836</u> |
| Balance December 31, 2013 | <u><u>\$ -</u></u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--------------------------------------|-------------------|----------------------|
| Balance December 31, 2012: | | |
| School Tax Payable | \$ 317,980 | |
| School Tax Deferred | <u>19,507,879</u> | |
| | | \$ 19,825,859 |
| Increased by: | | |
| Fiscal Year Levy - 2013 to 2014 | | <u>40,898,852</u> |
| Subtotal | | 60,724,711 |
| Decreased by: | | |
| Cash Disbursements | | <u>40,332,405</u> |
| Balance December 31, 2013: | | |
| School Tax Payable | 884,427 | |
| School Tax Deferred | <u>19,507,879</u> | |
| Total | | <u>\$ 20,392,306</u> |
| Local District School Tax Liability: | | |
| Cash Payments | | \$ 40,332,405 |
| School Tax Payable December 31, 2013 | | <u>884,427</u> |
| Total | | 41,216,832 |
| School Tax Payable December 31, 2012 | | <u>317,980</u> |
| Amount Charged to 2013 Operations | | <u>\$ 40,898,852</u> |

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--------------------------------------|------------------|----------------------|
| Balance December 31, 2012: | | |
| School Tax Payable | \$ 500,605 | |
| School Tax Deferred | <u>8,516,977</u> | |
| | | \$ 9,017,582 |
| Increased by: | | |
| Fiscal Year Levy - 2013 to 2014 | | <u>19,229,340</u> |
| Subtotal | | 28,246,922 |
| Decreased by: | | |
| Cash Disbursements | | <u>18,632,253</u> |
| Balance December 31, 2013: | | |
| School Tax Payable | 1,097,692 | |
| School Tax Deferred | <u>8,516,977</u> | |
| Total | | <u>\$ 9,614,669</u> |
| Local District School Tax Liability: | | |
| Cash Payments | | \$ 18,632,253 |
| School Tax Payable December 31, 2013 | | <u>1,097,692</u> |
| Total | | 19,729,945 |
| School Tax Payable December 31, 2012 | | <u>500,605</u> |
| Amount Charged to 2013 Operations | | <u>\$ 19,229,340</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR MUNICIPAL COURT - POAA
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|----------------------|
| Balance December 31, 2012 | \$ 728 |
| Increased by: | |
| Receipts | <u>16</u> |
| Balance December 31, 2013 | <u><u>\$ 744</u></u> |

**SCHEDULE OF RESERVE FOR PURCHASE OF PUBLIC SAFETY EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|-------------------------|
| Balance December 31, 2012 | \$ 8,050 |
| Increased by: | |
| Receipts | <u>5,775</u> |
| Balance December 31, 2013 | <u><u>\$ 13,825</u></u> |

**SCHEDULE OF RESERVE FOR ELECTION WORKERS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|------------------------|
| Balance December 31, 2012 | \$ 1,092 |
| Increased by: | |
| Cash Receipts | <u>1,560</u> |
| Subtotal | 2,652 |
| Decreased by: | |
| Cash Disbursements | <u>984</u> |
| Balance December 31, 2013 | <u><u>\$ 1,668</u></u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|------------------------------------|-----------------|
| Balance December 31, 2013 and 2012 | <u>\$ 4,159</u> |
|------------------------------------|-----------------|

**SCHEDULE OF RESERVE FOR INSURANCE CLAIMS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|-----------------|
| Balance December 31, 2012 | \$ 819 |
| Increased by: | |
| Cash Receipts | <u>27,217</u> |
| Subtotal | 28,036 |
| Decreased by: | |
| Cash Disbursements | <u>27,007</u> |
| Balance December 31, 2013 | <u>\$ 1,029</u> |

**SCHEDULE OF RESERVE FOR WORKERS COMPENSATION CLAIMS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|------------------------------------|------------------|
| Balance December 31, 2013 and 2012 | <u>\$ 31,231</u> |
|------------------------------------|------------------|

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE TO STATE - CONSTRUCTION CODE FEES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|------------------------|
| Balance December 31, 2012 | \$ 5,506 |
| Increased by: | |
| Cash Receipts | <u>28,325</u> |
| Subtotal | 33,831 |
| Decreased by: | |
| Cash Disbursements | <u>26,292</u> |
| Balance December 31, 2013 | <u><u>\$ 7,539</u></u> |

**SCHEDULE OF DUE TO STATE - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|----------------------|
| Balance December 31, 2012 | \$ 450 |
| Increased by: | |
| Cash Receipts | <u>2,105</u> |
| Subtotal | 2,555 |
| Decreased by: | |
| Cash Disbursements | <u>1,980</u> |
| Balance December 31, 2013 | <u><u>\$ 575</u></u> |

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PROGRAM | BALANCE | 2013 | RECEIVED | TRANSFER | CANCELED | BALANCE |
|---|----------------------|------------------------|-------------------|------------------------------------|------------------|----------------------|
| | DECEMBER 31, 2012 | ANTICIPATED REVENUE | | FROM UNAPPROPRIATED RESERVES | | DECEMBER 31, 2013 |
| Federal Grants: | | | | | | |
| Bulletproof Vest Partnership | \$ 4,878 | \$ - | \$ - | \$ - | \$ - | \$ 4,878 |
| Obey the Signs or Pay the Fines | 859 | - | - | - | - | 859 |
| Over the Limit Under Arrest | 3,008 | - | - | - | - | 3,008 |
| COPS More Grant | 1 | - | - | - | - | 1 |
| COPS in Shops | 47,775 | 49,159 | 5,961 | 45,721 | - | 45,252 |
| COPS in School | 12,577 | - | - | - | - | 12,577 |
| Total Federal Grants | 69,098 | 49,159 | 5,961 | 45,721 | - | 66,575 |
| State Grants: | | | | | | |
| Drunk Driving Enforcement Fund | - | 35,413 | 9,654 | - | - | 25,759 |
| Clean Communities Program | 48,559 | 57,041 | 57,040 | - | - | 48,560 |
| Alcohol Education & Rehabilitation | - | 432 | - | 432 | - | - |
| Community Development Block Grant | 65,000 | - | - | - | - | 65,000 |
| Municipal Alliance on Alcohol & Drug Abuse | 43,108 | 24,000 | 22,703 | - | 1,913 | 42,492 |
| Body Armor Grant | 4,668 | 6,291 | 3,697 | 6,291 | - | 971 |
| Tourism Cooperative Marketing | 5,000 | - | - | - | - | 5,000 |
| Stormwater Regulation | 7,056 | - | - | - | - | 7,056 |
| Click-it-or-Ticket | 7,808 | - | - | - | - | 7,808 |
| Buckle Up South Jersey | 387 | - | - | - | - | 387 |
| Explosives Detection K-9 Unit Grant | 1,628 | - | - | - | - | 1,628 |
| Traffic Records Grant | 9,850 | - | - | - | - | 9,850 |
| Recreational Opportunities for Individuals with Disabilities | 5,000 | - | - | - | - | 5,000 |
| Health Community Development Grant | 2,500 | - | - | - | - | 2,500 |
| NJ Motor Vehicles Security & Customer Service Grant | 58,801 | 149,943 | 91,632 | - | 49,981 | 67,131 |
| Aggressive Drive Grant | 7,426 | - | - | - | - | 7,426 |
| Laser Mapping Grant | 8 | - | - | - | - | 8 |
| Trust Fund Grant | 149,942 | - | 46,905 | - | - | 103,037 |
| Pedestrian Decoy Mobilization Grant | 3,053 | - | - | - | - | 3,053 |
| Environmental Commissions Grant | 8,000 | - | - | - | - | 8,000 |
| Burlington County Park Development Grant | 250,000 | - | 250,000 | - | - | - |
| Art, Wine & Music Festival | - | 3,000 | 3,000 | - | - | - |
| Medford Celebrates Grant | - | 47,000 | - | - | - | 47,000 |
| Multi-Discipline Working Group Grant | 25,000 | - | 22,554 | - | - | 2,446 |
| Halloween Parade Grant | - | 16,500 | 10,464 | - | - | 6,036 |
| Dickens Festival Grant | 8,500 | 10,000 | 4,975 | - | 3,525 | 10,000 |
| Drive Sober or Get Pulled Over Grant | 4,400 | 8,800 | 4,650 | - | 4,150 | 4,400 |
| Total State Grants | 715,694 | 358,420 | 527,274 | 6,723 | 59,569 | 480,548 |
| Total All Grants | \$ 784,792 | \$ 407,579 | \$ 533,235 | \$ 52,444 | \$ 59,569 | \$ 547,123 |
| Original Budget | | \$ 132,468 | | | | |
| Chapter 159 | | <u>275,111</u> | | | | |
| Total | | <u>\$ 407,579</u> | | | | |

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| GRANT | BALANCE DECEMBER 31, 2012 | RECEIVED | ANTICIPATED AS REVENUE | BALANCE DECEMBER 31, 2013 |
|---|---------------------------------|-----------|---------------------------|---------------------------------|
| Federal Grants: | | | | |
| COPS in Shops | \$ 45,721 | \$ - | \$ 45,721 | \$ - |
| Municipal Court Alcohol Education & Rehabilitation Grant | 432 | - | 432 | - |
| Emergency Management Assistance Grant | - | 5,000 | - | 5,000 |
| Total Federal Grants | 46,153 | 5,000 | 46,153 | 5,000 |
| State Grants: | | | | |
| Body Armor Grant | 6,291 | - | 6,291 | - |
| Recycle Tonnage | 30,044 | 30,451 | - | 60,495 |
| Art, Wine & Music Festival | - | 36,070 | - | 36,070 |
| Total State Grants | 36,335 | 66,521 | 6,291 | 96,565 |
| Total Grants | \$ 82,488 | \$ 71,521 | \$ 52,444 | \$ 101,565 |

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS
AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE DECEMBER 31, 2012 | TRANSFERRED FROM 2013 BUDGET APPROPRIATION | PRIOR YEAR ENCUMBRANCES RECLASSIFIED | EXPENDED | RESERVE FOR ENCUMBRANCES | CANCELED | BALANCE DECEMBER 31, 2013 |
|---|---------------------------------|---|--|--------------|--------------------------------|----------|---------------------------------|
| Federal Grants: | | | | | | | |
| Emergency Management | \$ 8,087 | - | \$ - | 1,255 | \$ - | - | \$ 6,832 |
| Bulletproof Vest Partnership | 5,282 | - | - | - | - | - | 5,282 |
| Municipal Court Alcohol Education & Rehabilitation | 6,128 | - | - | - | - | - | 6,128 |
| NJ DEP National Recreation Trails Program | 219 | - | - | - | - | - | 219 |
| Obey the Signs or Pay the Fines | 859 | - | - | - | - | - | 859 |
| Over the Limit Under Arrest | 3,007 | - | - | - | - | - | 3,007 |
| Assistance to Firefighters Grant | 5 | - | - | - | - | - | 5 |
| COPS in Shops | 52,893 | 49,159 | - | 8,548 | - | - | 93,504 |
| COPS in School | 16,231 | - | - | - | - | - | 16,231 |
| Total Federal Grants | 92,711 | 49,159 | - | 9,803 | - | - | 132,067 |
| State Grants: | | | | | | | |
| Drunk Driving Enforcement Fund | 14,902 | 35,413 | - | 4,388 | - | - | 45,927 |
| Clean Communities Program | 68,957 | 57,041 | 10,189 | 74,623 | 6,058 | - | 55,506 |
| Municipal Alliance on Alcohol & Drug Abuse | 13,001 | 24,000 | 9,543 | 28,217 | 1,735 | 1,913 | 14,679 |
| Body Armor Grant | 14,828 | 6,291 | - | 4,594 | - | - | 16,525 |
| Recycling Tonnage Grant | 97,310 | - | - | 29,981 | - | - | 67,329 |
| AHEOP | 2,406 | - | - | - | - | - | 2,406 |
| Tourism Cooperative Marketing | 10,000 | - | - | - | - | - | 10,000 |
| Stormwater Regulation | 10,278 | - | - | - | - | - | 10,278 |
| EMPG Exercise Grant | 15,012 | - | - | 15,012 | - | - | - |
| Click-it-or-Ticket | 1,176 | - | - | - | - | - | 1,176 |
| Explosives Detection K-9 Unit Grant | 31 | - | - | - | - | - | 31 |
| Buckle Up South Jersey | 387 | - | - | - | - | - | 387 |
| Traffic Records Grant | 9,850 | - | - | - | - | - | 9,850 |
| Gypsy Moth Grant | 529 | - | - | - | - | - | 529 |
| Community Wildfire Hazard Mitigation Grant | 5,617 | - | - | - | - | - | 5,617 |
| Health Community Development Grant | 2,500 | - | - | - | - | - | 2,500 |

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS
AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE DECEMBER 31, 2012 | TRANSFERRED FROM 2013 BUDGET APPROPRIATION | PRIOR YEAR ENCUMBRANCES RECLASSIFIED | EXPENDED | RESERVE FOR ENCUMBRANCES | CANCELED | BALANCE DECEMBER 31, 2013 |
|--|---------------------------------|---|--|-------------------|--------------------------------|------------------|---------------------------------|
| State Grants (continued): | | | | | | | |
| Wal-Mart Foundation Grant | 582 | - | - | - | - | - | 582 |
| Nixle Grant | 6,115 | - | - | 2,390 | - | - | 3,725 |
| Handicapped Recreation Opportunities Grant | 6,600 | - | - | - | - | - | 6,600 |
| County Park Improvement Pedestrian Decoy Mobilization Grant | 3,053 | - | 825 | 825 | - | - | 3,053 |
| Firefighters Grant | 19,775 | - | - | 6,262 | - | - | 13,513 |
| Alcohol Education & Rehabilitation Environmental Commission Grant | 18,527 | 432 | - | - | - | - | 18,959 |
| COPS Universal Hiring Grant | 8,000 | - | - | - | - | - | 8,000 |
| Community Development Block Grant | 2 | - | - | - | - | - | 2 |
| Gypsy Moth Grant | 65,000 | - | - | - | - | - | 65,000 |
| Multi-Discipline Working Group Grant | 4,996 | - | - | - | - | - | 4,996 |
| Drive Sober of Get Pulled Over | 2,446 | - | 20,290 | 20,290 | - | - | 2,446 |
| | 3,550 | 8,800 | - | 4,550 | - | 4,150 | 3,650 |
| Total State Grants | 675,490 | 281,920 | 40,847 | 279,701 | 7,793 | 56,044 | 654,719 |
| Local Grants: | | | | | | | |
| Art, Wine & Music Festival | - | 3,000 | - | 2,664 | - | - | 336 |
| Medford Celebrates Grant | - | 47,000 | - | 36,456 | - | - | 10,544 |
| Halloween Parade Grant | - | 16,500 | - | 10,464 | - | - | 6,036 |
| Dickens Festival Grant | 3,525 | 10,000 | - | 5,813 | - | 3,525 | 4,187 |
| Total Local Grants | 3,525 | 76,500 | - | 55,397 | - | 3,525 | 21,103 |
| Total All Grants | \$ 771,726 | \$ 407,579 | \$ 40,847 | \$ 344,901 | \$ 7,793 | \$ 59,569 | \$ 807,889 |
| Original Budget Appropriation by 40A.4-87 | \$ | 132,468 | | | | | |
| | | <u>275,111</u> | | | | | |
| Total | \$ | <u>407,579</u> | | | | | |

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|--------------------------------------|------------------------|
| Balance December 31, 2012 | \$ (475) |
| Increased by: | |
| Receipts: | |
| Interest Earned on Deposits | <u>321</u> |
| Subtotal | (154) |
| Decreased by: | |
| Disbursements - Interfund Liquidated | <u>321</u> |
| Balance December 31, 2013 | <u><u>\$ (475)</u></u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY APPROPRIATIONS
(5 YEAR - N.J.S.40A:4-53)
FOR THE YEAR ENDED DECEMBER 31, 2013**

| DESCRIPTION | ORIGINAL AMOUNT AUTHORIZED | 1/5 OF AMOUNT AUTHORIZED | DATE | BALANCE DECEMBER 31, 2012 | AUTHORIZED | BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|-----------------|----------------------------------|-----------------------------|------------|---------------------------------|-------------------|-------------------------|---------------------------------|
| Health Benefits | \$ 400,000 | \$ 80,000 | 12/23/2013 | \$ - | 400,000 | \$ - | \$ 400,000 |
| Revaluation | 700,000 | 140,000 | 03/21/2011 | 560,000 | - | 140,000 | 420,000 |
| Tax Map | 100,000 | 20,000 | 02/26/2008 | 40,000 | - | 20,000 | 20,000 |
| | | | | <u>\$ 600,000</u> | <u>\$ 400,000</u> | <u>\$ 160,000</u> | <u>\$ 840,000</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SPECIAL EMERGENCY NOTE PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| DESCRIPTION | AMOUNT | ISSUE DATE | DATE OF MATURITY | INTEREST RATE | BALANCE DECEMBER 31, 2012 | INCREASE | DECREASE | BALANCE DECEMBER 31, 2013 |
|-------------|------------|------------|------------------|---------------|---------------------------|-------------------|-------------------|---------------------------|
| Revaluation | \$ 700,000 | 05/21/2012 | 05/22/2013 | 1.55% | \$ 700,000 | - | \$ 700,000 | \$ - |
| Revaluation | 560,000 | 05/22/2013 | 05/20/2014 | 1.65% | - | 560,000 | - | 560,000 |
| | | | | | <u>\$ 700,000</u> | <u>\$ 560,000</u> | <u>\$ 700,000</u> | <u>\$ 560,000</u> |

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|--|----|---------|-------------------|
| Balance December 31, 2012: | | | |
| Current Fund | \$ | 604,041 | |
| Federal and State Grant Fund | | 40,847 | \$ 644,888 |
| | | | |
| Increased by: | | | |
| Current Year Encumbrances: | | | |
| Current Fund - Appropriations | | 545,708 | |
| Current Fund Non Budgeted- Appropriations | | 13,520 | |
| Federal and State Grant Fund - Appropriated Grant Reserves | | 7,793 | 567,021 |
| | | | |
| Subtotal | | | 1,211,909 |
| Decreased by: | | | |
| Prior Year Encumbrances Reclassified: | | | |
| Current Fund - Appropriations | | 604,041 | |
| Federal and State Grant Fund - Appropriated Grant Reserves | | 40,847 | 644,888 |
| | | | |
| Balance December 31, 2013 | | | <u>\$ 567,021</u> |

ANALYSIS OF BALANCE, DECEMBER 31, 2013

| | | |
|--|----|----------------|
| Current Fund | \$ | 559,228 |
| Federal & State Grant Fund - Appropriated Grant Reserves | | 7,793 |
| | | |
| Total | \$ | <u>567,021</u> |

TRUST FUND

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**TOWNSHIP OF MEDFORD
TRUST FUND
SCHEDULE OF TRUST CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | <u>ANIMAL CONTROL</u> | <u>OTHER</u> | <u>MUNICIPAL OPEN SPACE</u> |
|--------------------------------------|-----------------------|---------------------|---------------------------------|
| Balance December 31, 2012 | \$ 14,356 | \$ 2,399,917 | \$ 961,435 |
| Increased by Receipts: | | | |
| Dog License Fees Collected | 18,696 | - | - |
| Due to State Department of Health | 2,236 | - | - |
| Due Current Fund | 25 | 3,221 | - |
| Reserve for Future Use | - | - | 640,378 |
| Trust Other Reserves: | | | |
| Interest Earnings | - | 1,923 | - |
| Other Receipts | - | 16,380,526 | - |
| | <u>20,957</u> | <u>16,385,670</u> | <u>640,378</u> |
| Total Receipts | | | |
| Subtotal | <u>35,313</u> | <u>18,785,587</u> | <u>1,601,813</u> |
| Decreased by Disbursements: | | | |
| Due State Department of Health | 2,240 | - | - |
| Expenditures Under R.S.4:19-15.11 | 14,648 | - | - |
| Current Years Appropriations | - | - | 743,653 |
| Appropriation Reserves | - | - | 5,106 |
| Due Current Fund | 459 | 1,762 | - |
| Trust Other Reserves | - | 15,925,980 | - |
| | <u>17,347</u> | <u>15,927,742</u> | <u>748,759</u> |
| Total Disbursements | | | |
| Balance December 31, 2013 | <u>\$ 17,966</u> | <u>\$ 2,857,845</u> | <u>\$ 853,054</u> |

**TOWNSHIP OF MEDFORD
TRUST - ANIMAL CONTROL FUND
SCHEDULE OF RESERVE (DEFICIT) FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---|-----------|
| Balance (Deficit) December 31, 2012 | \$ 12,079 |
| Increased by: | |
| Dog License Fees Collected | 18,696 |
| Subtotal | 30,775 |
| Decreased by: | |
| Expenditures Under R.S.4:19-15,11: Disbursed | 14,648 |
| Balance (Deficit) December 31, 2013 | \$ 16,127 |

LICENSE FEES COLLECTED

| YEAR | AMOUNT |
|-------|-----------|
| 2012 | \$ 18,593 |
| 2011 | 19,674 |
| Total | \$ 38,267 |

**SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|----------------------------------|----------|
| Balance December 31, 2012 | \$ 2,267 |
| Increased by: | |
| Receipts - Interest on Deposits | 25 |
| Subtotal | 2,292 |
| Decreased by: | |
| Disbursed - Interfund Liquidated | 459 |
| Balance December 31, 2013 | \$ 1,833 |

**TOWNSHIP OF MEDFORD
TRUST - ANIMAL CONTROL FUND
SCHEDULE OF DUE FROM (TO) STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|----------------------|
| Balance December 31, 2012 | \$ (10) |
| Increased by: | |
| Payments | <u>2,240</u> |
| Subtotal | 2,230 |
| Decreased by: | |
| Collections | <u>2,236</u> |
| Balance December 31, 2013 | <u><u>\$ (6)</u></u> |

**TRUST - OTHER FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---|---------------------------|
| Balance December 31, 2012 | \$ (12,177) |
| Increased by: | |
| Interest Earned on Deposits | <u>3,221</u> |
| Subtotal | (8,956) |
| Decreased by: | |
| Disbursed - Prior Year Interfund Liquidated | <u>1,762</u> |
| Balance December 31, 2013 | <u><u>\$ (10,718)</u></u> |

ANALYSIS OF BALANCE DECEMBER 31, 2013

| | |
|-----------------------|---------------------------|
| Unclaimed Bail | \$ 12 |
| Trust Other | (13,035) |
| Planning Board Escrow | (88) |
| COAH | 1,099 |
| Net Payroll | 95 |
| Payroll Agency | 314 |
| TTL Redemption | <u>885</u> |
| Total | <u><u>\$ (10,718)</u></u> |

TOWNSHIP OF MEDFORD
TRUST FUND - OTHER
SCHEDULE OF CHANGES IN MISCELLANEOUS TRUST OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013

| | BALANCE | INCREASED BY | | | BALANCE |
|--|----------------------|----------------------|-------------------|-------------------------------|----------------------|
| | DECEMBER 31, 2012 | INTEREST EARNINGS | OTHER RECEIPTS | DECREASED BY DISBURSEMENTS | DECEMBER 31, 2013 |
| Reserve for: | | | | | |
| Outside Employment of Off-Duty | | | | | |
| Municipal Policemen | \$ 14,230 | \$ 37 | \$ 135,467 | \$ 125,485 | \$ 24,249 |
| Payroll Deductions Payable | 11,327 | 127 | 4,402,227 | 4,393,019 | 20,662 |
| Net Payroll | 329 | - | 6,398,407 | 6,398,438 | 298 |
| Special Law Enforcement | 35,992 | 38 | 6,084 | - | 42,114 |
| Miscellaneous Deposits: | | | | | |
| Recreation Improvements | 11,000 | - | - | - | 11,000 |
| Reserve for Street Opening | | | | | |
| Escrows | 9,942 | - | - | - | 9,942 |
| Village Parking Improvements | 3,940 | - | - | - | 3,940 |
| Sidewalk Construction | 72,136 | - | 13,081 | - | 85,217 |
| Park Pump Station | 1 | - | - | - | 1 |
| Off-Site Fire Hydrant | 6,100 | - | - | - | 6,100 |
| Bond Street Apron | 1,000 | - | - | - | 1,000 |
| Pedestrian Barrier - Jennings Road | 5,000 | - | - | - | 5,000 |
| Road Improvement Escrows: | | | | | |
| Tuckerton Road | 11,536 | - | - | - | 11,536 |
| Marlton Pike | 1,905 | - | - | - | 1,905 |
| Rt. 70 & Eayerstown Road | 6,196 | - | - | - | 6,196 |
| Eayerstown/New Freedom | | | | | |
| Intersection | 488 | - | - | - | 488 |
| Wilkins Station & Rt. 541 Traffic | | | | | |
| Light | 7,864 | - | - | - | 7,864 |
| Stokes/Branin/Schoolhouse Roads | 27,160 | - | - | - | 27,160 |
| Road Improvement Cowpath | 7,630 | - | - | - | 7,630 |
| General Road Trust | 2,242 | - | - | - | 2,242 |
| Hartford Road & Rt. 70 Intersection | 44,966 | - | - | - | 44,966 |
| Rt. 70 & Jones Road | 574 | - | - | - | 574 |
| Facility Use | 5,230 | - | - | 200 | 5,030 |
| Administration Agent Fees | - | - | 15,770 | 10,075 | 5,695 |
| Fair Share Traffic Construction | 9,536 | - | - | - | 9,536 |
| Miscellaneous Other | 3,378 | - | - | - | 3,378 |
| Planning Board Subdivision Escrow | 964,607 | 765 | 359,308 | 300,120 | 1,024,560 |
| Tax Title Lien Redemption | 744,533 | - | 1,731,648 | 1,775,314 | 700,867 |
| NJ Unemployment Compensation | | | | | |
| Insurance | 69,155 | 58 | 8,029 | 35,007 | 42,235 |
| Sanitary Landfill Facility Closure & | | | | | |
| Contingency Fund | 13,607 | 14 | - | - | 13,621 |
| Public Defender | 842 | 1 | 5,580 | 5,622 | 801 |
| Housing | 172,111 | 182 | 119,896 | - | 292,189 |
| Unclaimed Bail - Disposal of Forfeited | | | | | |
| Property | 13,433 | 13 | - | 13 | 13,433 |
| Fire Safety Penalties | 2,897 | 3 | 10 | 2,610 | 300 |
| Resale of Snow Removal Chemicals - | | | | | |
| Commodity Resale | 5,478 | 10 | 6,460 | - | 11,948 |
| Snow Removal Trust Fund | 18,316 | 260 | 299,826 | 9,880 | 308,522 |
| Federal Forfeiture Trust | 5,833 | 6 | 10 | 10 | 5,839 |
| Recreation Programs Trust | 3,600 | 4 | 4,308 | 5,531 | 2,381 |
| Street Opening Trust | 38,916 | 44 | 9,478 | 754 | 47,684 |
| Accumulated Absences | 34,038 | 34 | 10 | 10 | 34,072 |
| Older Americans Act | 11 | - | - | 11 | - |
| Self Insurance Programs: | | | | | |
| Health Benefits | 15 | 327 | 2,864,927 | 2,863,881 | 1,388 |
| Total | \$ 2,387,094 | \$ 1,923 | \$ 16,380,526 | \$ 15,925,980 | \$ 2,843,563 |

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF RESERVE FOR FUTURE USE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|--|----|---------|-------------------------|
| Balance December 31, 2012 | | \$ | 844,495 |
| Increased by Receipts: | | | |
| Receipts: | | | |
| County of Burlington | \$ | 639,362 | |
| Interest on Deposits | | 1,016 | \$ 640,378 |
| | | | |
| Due from Current Fund: | | | |
| Current Year Levy | | 890,463 | |
| Added & Omitted Taxes - Current Year | | 5,979 | |
| Cancel Prior Year Appropriation Reserves | | 116,581 | 1,653,401 |
| | | | |
| Subtotal | | | 2,497,896 |
| Decreased by: | | | |
| Current Year Appropriations | | | 898,105 |
| | | | |
| Balance December 31, 2013 | | \$ | <u><u>1,599,791</u></u> |

**TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|--------------------------------------|----|---------|-----------------------|
| Balance December 31, 2012 | | \$ | 4,747 |
| Increased by: | | | |
| Added & Omitted Taxes - Current Year | \$ | 5,979 | |
| Current Year Levy | | 890,463 | 896,442 |
| | | | |
| Balance December 31, 2013 | | \$ | <u><u>901,189</u></u> |

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE DECEMBER 31, 2012 | | BALANCE AFTER MODIFICATION | DISBURSED | LAPSED TO FUND BALANCE |
|-------------------------|------------------------------|-----------------|----------------------------------|-----------------|------------------------------|
| | RESERVED | ENCUMBERED | | | |
| Salary and Wages | \$ 2,506 | \$ - | \$ 2,506 | \$ - | \$ 2,506 |
| Other Expenses | 64,665 | 3,560 | 68,225 | 2,148 | 66,077 |
| Acquisition of Farmland | 40,858 | 98 | 40,956 | 2,958 | 37,998 |
| Reserve for Future Use | 10,000 | - | 10,000 | - | 10,000 |
| | <u>\$ 118,029</u> | <u>\$ 3,658</u> | <u>\$ 121,687</u> | <u>\$ 5,106</u> | <u>\$ 116,581</u> |

GENERAL CAPITAL FUND

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**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | | |
|------------------------------------|----|------------|----------------|
| Balance December 31, 2012 | | \$ | 466,642 |
| Increased by Receipts: | | | |
| Due Current Fund | \$ | 887,675 | |
| CDBG Grant | | 63,825 | |
| Bond Anticipation Notes & Premiums | | 12,783,556 | |
| Serial Bonds | | 12,775,000 | |
| DOT Grant Receivables | | 298,750 | 26,808,806 |
| | | | |
| Subtotal | | | 27,275,448 |
| Decreased by Disbursements: | | | |
| Due Current Fund | | 165,825 | |
| Bond Anticipation Notes | | 25,551,778 | |
| Improvement Authorizations | | 1,337,053 | 27,054,656 |
| | | | |
| Balance December 31, 2013 | | \$ | <u>220,792</u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

| ORDINANCE NUMBER | IMPROVEMENT AUTHORIZATIONS | BALANCE (OVERDRAFT) DECEMBER 31, 2012 | | RECEIPTS | | | DISBURSEMENTS | | | BALANCE (OVERDRAFT) DECEMBER 31, 2013 | | |
|--|--|---------------------------------------|----|-------------------------------|--------------|---------------|----------------------------|-------------------------|---------------|---------------------------------------|----------------|-----------|
| | | | | BOND ANTICIPATION NOTES/BONDS | BONDS ISSUED | MISCELLANEOUS | IMPROVEMENT AUTHORIZATIONS | BOND ANTICIPATION NOTES | MISCELLANEOUS | | TRANSFERS FROM | TO |
| Fund Balance | | \$ 10,031 | \$ | 7,667 | \$ | - | \$ | - | \$ | 155,438 | \$ | 173,136 |
| Capital Improvement Fund | | 96,475 | - | - | - | - | - | - | - | - | - | 96,475 |
| Due Current Fund | | 50,791 | - | - | - | 887,675 | - | - | - | - | - | 772,641 |
| Due from State of NJ Transportation Trust Fund | | (339,750) | - | - | - | 298,750 | - | - | 165,825 | - | - | (41,000) |
| Due from County of Burlington | | (235,000) | - | - | - | - | - | - | - | - | - | (235,000) |
| Due to Utility Capital Fund | | (7,389) | - | - | - | - | - | 2,610,000 | - | - | - | (7,389) |
| Due Community Development Block Grant | | (37,700) | - | 1,305,000 | - | 63,825 | - | - | - | 63,825 | - | (37,700) |
| Due Trust Other Fund | | (25,000) | - | - | - | - | - | - | - | - | - | (25,000) |
| ORDINANCE NUMBER | IMPROVEMENT AUTHORIZATIONS | | | | | | | | | | | |
| 1989-01 | Open Space Preservation Feasibility Studies | 2 | | | | | | | | | | 2 |
| 1989-10 | Dam Inspection Program | 2 | | | | | | | | | | 2 |
| 1989-24 | Purchase of Computer Equipment | 1 | | | | | | | | | | 1 |
| 1990-08 | Construction of Bike Paths | 27,646 | | | | | | | | | | 27,646 |
| 1992-05 | Construction of Parks & Recreation Facilities | 102 | | | | | | | | 102 | | - |
| 1994-31 | Acquisition of Real Property | 2 | | | | | | | | | | 2 |
| 1995-05 | Purchase of Various Equipment | 5,845 | | | | | | | | | | 5,845 |
| 1997-05 | Purchase of Various Equipment & Construction of Various Capital Improvements | 19 | | | | | | | | 19 | | - |
| 1998-19 | Various Capital Improvements | 4,173 | | | | | | | | 4,173 | | - |
| 1999-15 | Various Capital Improvements | 2 | | | | | | | | | | 2 |
| 1999-36 | Installation of Handicapped Accessible Tot Lot | 15,204 | | | | | | | | | | 15,204 |
| 2000-14 | Various Capital Improvements | 15,349 | | | | | | | | 15,349 | | - |
| 2001-10 | Various Capital Improvements | 10,703 | | | | | | | | | | 10,703 |
| 2002-15 | Purchase of Office Equipment | 56 | | | | | | | | 56 | | - |
| 2002-16 | Various General Capital Improvements | 153,633 | | | | | | | | 112,633 | | 41,000 |
| 2002-29 | Construction of Improvements to Various Municipal Buildings | 42,529 | | | | | | | | | | 42,529 |
| 2003-12 | Improvements to Bob Meyer Park | 233 | | | | | | | | 233 | | - |
| 2003-13 | Lake Cotoxen Engineering Study | 39 | | | | | | | | 39 | | - |
| 2003-14 | Various Capital Improvements | 36,665 | | | | | | | | 8,172 | | 772 |
| | | | | | | | | | | 27,721 | | |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE (OVERDRAFT) DECEMBER 31, 2012 | RECEIPTS | | | DISBURSEMENTS | | | TRANSFERS | | BALANCE (OVERDRAFT) DECEMBER 31, 2013 |
|---|--|-----------------------------|-----------------|---------------|-------------------------------|-----------------------|---------------|--------------|--------------|--|
| | | BOND | | | BOND | | | FROM | TO | |
| | | ANTICIPATION NOTES/BONDS | BONDS ISSUED | MISCELLANEOUS | IMPROVEMENT AUTHORIZATIONS | ANTICIPATION NOTES | MISCELLANEOUS | | | |
| 2003-16 Reconstruction & Resurfacing of Hopewell Road | 300 | - | - | - | - | - | - | - | - | 300 |
| 2004-14 Various General Capital Improvements | 318,269 | - | - | - | 5,502 | - | - | 5,375 | - | 307,392 |
| 2004-20 Various General Capital Improvements | 2,575 | - | - | - | 275 | - | - | 2,300 | - | - |
| 2004-25 Various General Capital Improvements | 5,215 | - | - | - | - | - | - | - | - | 5,215 |
| 2005-13 Various General Capital Improvements | 93,293 | - | - | - | - | - | - | 35,211 | - | 58,082 |
| 2006-09 Various Capital Improvements | 838,530 | - | - | - | 465,815 | - | - | 12,740 | - | 359,975 |
| 2007-10 Various Capital Improvements | 286,508 | - | - | - | 29,130 | - | - | 206,108 | - | 51,270 |
| 2007-21 Purchase of Village Parking Signs | 1,027 | - | - | - | - | - | - | 1,027 | - | - |
| 2007-28 Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods | 58,789 | - | - | - | - | - | - | - | - | 58,789 |
| 2008-06 Acquisition of Public Works & Fire Division Vehicles & Equipment | 16,830 | - | - | - | - | - | - | 16,830 | - | - |
| 2008-11 Acquisition of Real Property - Cow Pointe | 7,898 | 8,243,799 | - | - | 13,543 | 16,487,598 | - | 225,000 | 60,799 | (230,645) |
| 2008-18 Various Capital Improvements | 565,015 | - | - | - | 65,600 | - | - | 437,660 | 1 | 61,756 |
| 2008-28 Engineering & Construction of Improvements for the Public Works Facility | 22,204 | - | - | - | - | - | - | 22,204 | - | - |
| 2009-19 Various Capital Improvements | 707,575 | 3,227,090 | - | - | 266,227 | 6,454,180 | - | 420,412 | - | 80,846 |
| 2009-28 Improvements to Public Safety Facilities & Related Expenses | (482,036) | - | - | - | 1,995 | - | - | 1 | - | (484,032) |
| 2010-15 Various Capital Improvements | (1,800,013) | - | - | - | 461,245 | - | - | - | 63,827 | (2,197,431) |
| 2013-16 Various Capital Improvements | - | - | - | - | - | - | - | - | 1,309,404 | 1,309,404 |
| Total | \$ 466,642 | \$ 12,783,556 | \$ 12,775,000 | \$ 1,250,250 | \$ 1,337,053 | \$ 25,551,778 | \$ 165,825 | \$ 1,589,469 | \$ 1,589,469 | \$ 220,792 |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|-----------------------------|----------------|-----------------------------|
| Balance December 31, 2012 | | \$ 19,381,465 |
| Increased by: | | |
| Bonds Issued | | <u>14,980,000</u> |
| Subtotal | | 34,361,465 |
| Decreased by: | | |
| Bonds Defeased | \$ 3,520,000 | |
| 2013 Budget Appropriations: | | |
| Serial Bonds Payable | 3,333,600 | |
| Green Acres Loan Payable | <u>253,146</u> | <u>7,106,746</u> |
| Balance December 31, 2013 | | <u><u>\$ 27,254,719</u></u> |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | DESCRIPTION | BALANCE DECEMBER 31, 2012 | FUNDED BY CDBG GRANT | AUTHORIZATIONS REAPPROPRIATED | AUTHORIZATIONS CANCELLED | BALANCE DECEMBER 31, 2013 | ANALYSIS OF BALANCE | | | |
|------------------|---|---------------------------|----------------------|-------------------------------|--------------------------|---------------------------|------------------------|-------------------------|--------------|---------------------------------------|
| | | | | | | | FUNDED BY SERIAL BONDS | BOND ANTICIPATION NOTES | EXPENDITURES | UNEXPENDED IMPROVEMENT AUTHORIZATIONS |
| 2005-13 | Various Capital Improvements | \$ 338 | \$ - | \$ - | \$ - | \$ 338 | \$ - | \$ - | \$ - | \$ 338 |
| 2007-10 | Various Capital Improvements | 329 | - | - | - | 329 | - | - | - | 329 |
| 2008-11 | Acquisition of Real Property - Cow Pointe | 8,671,925 | - | (21,538) | - | 467,387 | 156,194 | 281,806 | - | 29,387 |
| 2008-18 | Various Capital Improvements | 26 | - | - | - | 26 | - | - | - | 26 |
| 2009-19 | Various Capital Improvements | 3,477,187 | - | (548,490) | 1,785 | - | - | - | - | - |
| 2009-28 | Improvements to Public Safety | - | - | - | - | - | - | - | - | - |
| 2010-15 | Facilities & Related Expenses | 665,000 | - | - | - | 665,000 | - | 536,231 | - | 128,769 |
| 2013-16 | Various Capital Improvements | 3,586,411 | 63,825 | (692,323) | 8,163 | 2,822,100 | 60,324 | 2,242,565 | - | 519,211 |
| | | - | - | 1,262,351 | - | 902,263 | - | 413 | - | 901,850 |
| | Total | \$ 16,401,216 | \$ 63,825 | \$ - | \$ 9,948 | \$ 4,857,443 | \$ 216,518 | \$ 3,061,015 | \$ - | \$ 1,579,910 |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 and 2012

\$ 96,475

**SCHEDULE OF DUE FROM COUNTY OF BURLINGTON
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013 and 2012

\$ 235,000

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORDINANCE DATE | BALANCE DECEMBER 31, 2012 | | AUTHORIZATIONS CANCELLED | PRIOR YEAR ENCUMBRANCES RECLASSIFIED | PAID OR CHARGED | AUTHORIZATIONS REAPPROPRIATED | BALANCE DECEMBER 31, 2013 | |
|------------------|--|----------------|---------------------------|---------|--------------------------|--------------------------------------|-----------------|-------------------------------|---------------------------|--------|
| | | | AMOUNT | FUNDED | | | | | UNFUNDED | FUNDED |
| 1989-01 | Open Space Preservation Feasibility Studies | 02/10/89 | \$ 150,000 | 2 | \$ - | - | \$ - | - | 2 | \$ - |
| 1989-10 | Dam Inspection Program | 05/02/89 | 62,000 | 2 | - | - | - | - | 2 | - |
| 1989-15 | Construction of Various Roads | 08/15/89 | 881,875 | 1 | - | - | - | - | 1 | - |
| 1989-24 | Purchase of Computer Equipment | 10/17/89 | 70,000 | 1 | - | - | - | - | 1 | - |
| 1990-08 | Construction of Bike Paths | 05/21/90 | 71,000 | 27,646 | - | - | - | - | 27,646 | - |
| 1992-05 | Construction of Parks & Recreation Facilities | 03/16/02 | 495,000 | 102 | - | - | - | - | - | - |
| 1994-31 | Acquisition of Real Property | 10/03/94 | 1,500,000 | 2 | - | - | - | - | 2 | - |
| 1995-05 | Purchase of Various Equipment | 05/01/95 | 1,116,000 | 5,845 | - | - | - | - | 5,845 | - |
| 1997-05 | Purchase of Various Equipment & Construction of Various Capital Improvements | 04/21/97 | 2,174,639 | 19 | - | - | - | - | - | - |
| 1998-19 | Various Capital Improvements | 08/19/98 | 2,042,790 | 4,173 | - | - | - | - | - | - |
| 1999-15 | Various Capital Improvements | 06/02/99 | 1,255,258 | 2 | - | - | - | - | 2 | - |
| 1999-36 | Installation of Handicapped Accessible Tot Lot | 10/06/99 | 25,000 | 15,204 | - | - | - | - | 15,204 | - |
| 2000-14 | Various Capital Improvements | 05/17/00 | 2,956,905 | 15,349 | - | - | - | - | - | - |
| 2001-10 | Various Capital Improvements | 05/22/01 | 2,038,950 | 10,703 | - | - | - | - | 10,703 | - |
| 2002-15 | Purchase of Office Equipment | 04/09/02 | 2,000 | 56 | - | - | - | - | - | - |
| 2002-16 | Various General Capital Improvements | 04/09/02 | 1,462,725 | 153,633 | - | - | - | - | 41,000 | - |
| 2002-29 | Construction of Improvements to Various Municipal Buildings | 07/23/02 | 42,529 | 42,529 | - | - | - | - | 42,529 | - |
| 2003-12 | Improvements to Bob Meyer Park | 05/13/03 | 24,000 | 233 | - | - | - | - | - | - |
| 2003-13 | Lake Cotoxen Engineering Study | 06/10/03 | 25,000 | 39 | - | - | - | - | - | - |
| 2003-14 | Various Capital Improvements | 06/10/03 | 1,880,401 | 8,178 | - | 28,488 | 27,721 | - | 772 | - |
| 2003-16 | Reconstruction & Resurfacing of Hopewell Road | 06/10/03 | 61,428 | 300 | - | - | - | - | 300 | - |
| 2004-14 | Various Capital Improvements | 04/13/04 | 1,926,359 | 305,375 | - | 12,894 | 12,894 | (5,371) | 300,000 | - |
| 2004-20 | Various Capital Improvements | 08/24/04 | 1,400,000 | 2,575 | - | - | 275 | - | - | - |
| 2004-25 | Various Capital Improvements | 10/26/04 | 73,325 | 5,215 | - | - | - | - | 5,215 | - |
| 2005-13 | Various Capital Improvements | 05/24/05 | 1,498,250 | 50,324 | 338 | - | - | - | - | - |
| 2006-09 | Various Capital Improvements | 05/23/06 | 4,876,336 | 826,530 | - | 42,969 | 477,815 | (35,211) | 58,082 | 338 |
| 2007-10 | Various Capital Improvements | 05/08/07 | 2,592,715 | 252,554 | 329 | 12,000 | 40,353 | (9,526) | 347,975 | - |
| 2007-21 | Purchase of Village Parking Signs | 09/25/07 | 3,360 | 1,027 | - | - | - | (197,993) | 40,047 | 329 |
| 2007-28 | Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods | 11/27/07 | 1,200,000 | 39,173 | - | 19,616 | 6,841 | - | 51,948 | - |
| 2008-06 | Acquisition of Public Works & Fire Division Vehicles & Equipment | 03/11/08 | 135,424 | 16,830 | - | - | - | (16,830) | - | - |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORDINANCE DATE | BALANCE DECEMBER 31, 2012 | | AUTHORIZATIONS CANCELLED | PRIOR YEAR ENCUMBRANCES RECLASSIFIED | PAID OR CHARGED | AUTHORIZATIONS REAPPROPRIATED | BALANCE DECEMBER 31, 2013 | |
|------------------|--|----------------|---------------------------|-----------------|--------------------------|--------------------------------------|-----------------|-------------------------------|---------------------------|--------------|
| | | | AMOUNT FUNDED | AMOUNT UNFUNDED | | | | | FUNDED | UNFUNDED |
| 2008-11 | Acquisition of Real Property - Cow Pointe | 04/22/08 | 10,300,000 | 50,925 | - | 2,500 | 25,443 | (225,000) | - | 29,387 |
| 2008-18 | Various Capital Improvements | 05/27/08 | 4,890,026 | 26 | - | 57,246 | 88,680 | (437,660) | 38,676 | 26 |
| 2008-28 | Engineering & Construction of Improvements for the Public Works Facility | 09/23/08 | 50,000 | - | - | - | - | (22,204) | - | - |
| 2009-19 | Various Capital Improvements | 06/09/09 | 3,739,144 | 812,607 | 1,785 | 84,741 | 285,322 | (548,490) | 538 | 61,213 |
| 2009-28 | Improvements to Public Safety Facilities & Related Expenses | 11/24/09 | 700,000 | 130,764 | - | 52,199 | 54,194 | - | - | 128,769 |
| 2010-15 | Various Capital Improvements | 05/25/10 | 3,975,169 | 1,740,596 | 8,163 | 45,803 | 566,702 | (692,323) | - | 519,211 |
| 2013-16 | Various Capital Improvements | 12/23/13 | 50,810 | - | - | - | 130,847 | 2,190,608 | 1,157,911 | 901,850 |
| Total | | | \$ 2,540,001 | \$ 2,735,585 | \$ 165,385 | \$ 392,410 | \$ 1,717,087 | \$ - | \$ 2,144,401 | \$ 1,641,123 |

Disbursed \$ 1,337,053
Reserve for Encumbrances 380,034
Total \$ 1,717,087

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--------------------------------------|----|-----------------------|
| Balance December 31, 2012 | \$ | 392,407 |
| Increased by: | | |
| Charges to Improvement Authorization | | <u>380,033</u> |
| Subtotal | | 772,440 |
| Decreased by: | | |
| Prior Year Balance Reappropriated | | <u>392,407</u> |
| Balance December 31, 2013 | \$ | <u><u>380,033</u></u> |

**SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--|----------------|-------------------------|
| Balance December 31, 2012 | \$ | (50,790) |
| Decreased by: | | |
| Interest | \$ | 582 |
| Interfund Liquidated | <u>887,093</u> | <u>887,675</u> |
| Subtotal | | (938,465) |
| Increased by: | | |
| Interfund Advances | 165,825 | |
| Capital Improvement Fund Authorization | <u>-</u> | <u>165,825</u> |
| Balance December 31, 2013 | \$ | <u><u>(772,640)</u></u> |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES TRUST LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | MATURITIES OF LOAN PRINCIPAL AND INTEREST | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|--------------------------|---------------|---|--------|---------------|---------------------------|------------------------------|---------------------------|
| | | DATE | AMOUNT | | | | |
| Distefano Tract | 11/01/94 | 2014 | 71,600 | 2.00% | \$ 212,680 | \$ 141,080 | \$ 71,600 |
| | | 2014 | 57,065 | 2.00% | 291,177 | 55,939 | 235,238 |
| | | 2015 | 58,213 | 2.00% | | | |
| | | 2016 | 59,383 | 2.00% | | | |
| | | 2017 | 60,577 | 2.00% | | | |
| Distefano Tract | 10/23/99 | 2014 | 28,007 | 2.00% | 188,629 | 27,456 | 161,173 |
| | | 2015 | 28,570 | 2.00% | | | |
| | | 2016 | 29,145 | 2.00% | | | |
| | | 2017 | 29,731 | 2.00% | | | |
| | | 2018 | 30,328 | 2.00% | | | |
| Distefano Tract Phase II | 09/06/00 | 2019 | 15,392 | 2.00% | | | |
| | | 2014 | 29,247 | 2.00% | 196,979 | 28,671 | 168,308 |
| | | 2015 | 29,835 | 2.00% | | | |
| | | 2016 | 30,435 | 2.00% | | | |
| | | 2017 | 31,047 | 2.00% | | | |
| 2018 | 31,671 | 2.00% | | | | | |
| 2019 | 16,073 | 2.00% | | | | | |
| Total | | | | | \$ 889,465 | \$ 253,146 | \$ 636,319 |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | ISSUED | PAID BY BUDGET APPROPRIATION | DECREASED BY DEFEASANCE OF DEBT | BALANCE DECEMBER 31, 2013 |
|---------------------------|---------------|----------------|---------------------------------|--------|---------------|---------------------------|------------|------------------------------|---------------------------------|---------------------------|
| | | | DECEMBER 31, 2013 | AMOUNT | | | | | | |
| General Improvement Bonds | 07/01/04 | 2,693,000 | | \$ | 3.800% | 393,000 | - | 393,000 | - | - |
| Refunding Bond Issue | 03/15/04 | 6,470,000 | | | 3.800% | 4,145,000 | - | 625,000 | 3,520,000 | - |
| General Obligation Bonds | 07/01/05 | 2,620,000 | 300,000 | | 3.800% | 950,000 | - | 300,000 | - | 650,000 |
| | | | 350,000 | | 3.800% | | | | | |
| General Obligation Bonds | 12/28/06 | 4,755,000 | 689,000 | | 2.500% | 1,345,000 | - | 656,000 | - | 689,000 |
| General Obligation Bonds | 07/15/08 | 12,187,000 | 1,500,000 | | 3.625% | 10,537,000 | - | 1,037,000 | - | 9,500,000 |
| | | | 2,000,000 | | 3.750% | | | | | |
| | | | 2,000,000 | | 3.750% | | | | | |
| | | | 2,000,000 | | 4.000% | | | | | |
| | | | 2,000,000 | | 4.000% | | | | | |
| Refunding Bonds | 11/21/11 | 1,251,800 | 299,200 | | 3.000% | 1,122,000 | - | 292,600 | - | 829,400 |
| | | | 182,600 | | 2.000% | | | | | |
| | | | 90,200 | | 2.000% | | | | | |
| | | | 88,000 | | 2.000% | | | | | |
| | | | 85,800 | | 2.000% | | | | | |
| | | | 83,600 | | 2.250% | | | | | |
| Refunding Bonds | 5/9/13 | 3,510,000 | 645,000 | | 1.000% | - | 3,510,000 | 30,000 | - | 3,480,000 |
| | | | 625,000 | | 1.500% | | | | | |
| | | | 600,000 | | 2.000% | | | | | |
| | | | 385,000 | | 2.000% | | | | | |
| | | | 370,000 | | 2.000% | | | | | |
| | | | 435,000 | | 2.000% | | | | | |
| | | | 420,000 | | 2.000% | | | | | |
| General Obligation Bonds | 5/9/13 | 11,470,000 | 475,000 | | 2.000% | - | 11,470,000 | - | - | 11,470,000 |
| | | | 475,000 | | 2.000% | | | | | |
| | | | 480,000 | | 2.000% | | | | | |
| | | | 490,000 | | 2.000% | | | | | |
| | | | 495,000 | | 2.000% | | | | | |
| | | | 500,000 | | 2.000% | | | | | |
| | | | 510,000 | | 2.000% | | | | | |
| | | | 520,000 | | 2.000% | | | | | |
| | | | 535,000 | | 2.000% | | | | | |
| | | | 545,000 | | 2.000% | | | | | |
| | | | 560,000 | | 3.000% | | | | | |
| | | | 580,000 | | 3.000% | | | | | |
| | | | 595,000 | | 3.000% | | | | | |
| | | | 610,000 | | 3.000% | | | | | |
| | | | 630,000 | | 3.000% | | | | | |
| | | | 650,000 | | 3.000% | | | | | |
| | | | 670,000 | | 3.000% | | | | | |
| | | | 695,000 | | 3.000% | | | | | |
| | | | 715,000 | | 3.125% | | | | | |
| | | | 740,000 | | 3.250% | | | | | |

| | | | | | | | | | | |
|--------------|----|------------|----|------------|----|-----------|----|-----------|----|------------|
| Total | \$ | 18,492,000 | \$ | 14,980,000 | \$ | 3,333,600 | \$ | 3,520,000 | \$ | 26,618,400 |
| Current Fund | \$ | | \$ | | \$ | 3,084,850 | | | | |
| Open Space | | | | | | 248,750 | | | | |
| Total | \$ | | \$ | | \$ | 3,333,600 | | | | |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE OF ORIGINAL ISSUE | DATE OF ISSUE | DATE OF MATURITY | INTEREST RATE | BALANCE DECEMBER 31, 2012 | INCREASED | DECREASED | BALANCE DECEMBER 31, 2013 |
|------------------|---|------------------------|---------------|------------------|---------------|---------------------------|------------|---------------|---------------------------|
| 2008-11 | Acquisition of Real Property - Cow Pointe | 07/15/08 | 02/10/13 | 02/10/14 | Nil | \$ 8,243,799 | \$ - | \$ 8,243,799 | \$ - |
| 2009-19 | Various Capital Improvements | 07/14/09 | 02/10/13 | 02/10/14 | Nil | 3,227,090 | - | 3,227,090 | - |
| | | 07/14/09 | 02/10/13 | 02/10/14 | Nil | 60,324 | 60,324 | 60,324 | 60,324 |
| | | | | | Total | \$ 11,687,407 | \$ 216,518 | \$ 11,687,407 | \$ 216,518 |

| | |
|------------------------------------|----------------------|
| Renewals: | |
| Held by Bank | \$ - |
| Held as Investment in Current Fund | 216,518 |
| | <u>\$ 216,518</u> |
| | <u>\$ 11,687,407</u> |

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE DECEMBER 31, 2012 | IMPROVEMENT AUTHORIZATIONS REAPPROPRIATED | NOTE REDEEMED FROM CASH | IMPROVEMENT AUTHORIZATIONS CANCELLED | GRANTS RECEIVED | BALANCE DECEMBER 31, 2013 |
|---------------------|---|---------------------------------|---|----------------------------|--|--------------------|---------------------------------|
| 2005-13 | Various Capital Improvements | \$ 338 | \$ - | \$ - | \$ - | \$ - | \$ 338 |
| 2007-10 | Various Capital Improvements | 329 | | | | | 329 |
| 2008-11 | Acquisition of Real Property - Cow Pointe | 271,932 | (21,538) | - | - | - | 250,394 |
| 2008-18 | Various Capital Improvements | 26 | - | - | - | - | 26 |
| 2009-19 | Various Capital Improvements | 189,773 | (187,988) | 889 | 1,785 | - | 889 |
| 2009-28 | Improvements to Public Safety Facilities | 665,000 | - | - | - | - | 665,000 |
| 2010-15 | Various Capital Improvements | 3,586,411 | (692,324) | - | 8,163 | 63,825 | 2,822,099 |
| 2013-16 | Various Capital Improvements | - | 901,850 | - | - | - | 901,850 |
| Total | | \$ 4,713,809 | \$ - | \$ 889 | \$ 9,948 | \$ 63,825 | \$ 4,640,925 |

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WATER-SEWER UTILITY FUND

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**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | OPERATING FUND | SEWER CONNECTION TRUST | | ASSESSMENT TRUST | CAPITAL FUND |
|---|---------------------|------------------------|-------------------|------------------|---------------------|
| Balance December 31, 2012 | \$ 2,138,651 | \$ | 580,090 | \$ 666 | \$ 985,170 |
| Increased by Receipts: | | | | | |
| Rents Receivable | \$ 6,259,778 | \$ | | \$ | - |
| NJEIT Receipts | - | | | | 1,227,782 |
| Prepaid Rents | 596,259 | | | | - |
| Petty Cash | 100 | | | | - |
| Miscellaneous Revenue | 925,499 | | | | - |
| Due Utility Operating Fund | - | 167 | | | 1,660 |
| Due Utility Capital Fund | 1,403 | | | | - |
| Due Sewer Connection Trust Fund | 169 | | | | - |
| Subtotal | <u>7,783,208</u> | | <u>167</u> | <u>-</u> | <u>1,229,442</u> |
| Total | <u>9,921,859</u> | | <u>580,257</u> | <u>666</u> | <u>2,214,612</u> |
| Decreased by Disbursements: | | | | | |
| 2013 Budget Appropriations | 6,388,827 | | | | - |
| 2012 Appropriation Reserves | 434,908 | | | | - |
| Rent Overpayments | 25,868 | | | | - |
| Petty Cash | 100 | | | | - |
| Due Utility Operating Fund Improvement Authorizations | - | 169 | | | 1,403 |
| Total Disbursements | <u>6,849,703</u> | | <u>169</u> | <u>-</u> | <u>803,285</u> |
| Balance December 31, 2013 | <u>\$ 3,072,156</u> | | <u>\$ 580,088</u> | <u>\$ 666</u> | <u>\$ 1,409,924</u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER AND SEWER CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

| | BALANCE (OVERDRAFT) DECEMBER 31, 2012 | RECEIPTS | | DISBURSEMENTS | | | TRANSFERS FROM | TO | BALANCE (OVERDRAFT) DECEMBER 31, 2013 |
|--|---|---------------|-------------------------------|---------------|----------------|---------------|-------------------|------------|--|
| | | MISCELLANEOUS | IMPROVEMENT AUTHORIZATIONS | MISCELLANEOUS | IMPROVEMENT | | | | |
| | | | | | AUTHORIZATIONS | MISCELLANEOUS | | | |
| Capital Improvement Fund | \$ 211,399 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 211,399 | |
| Due From Utility Operating Fund | (92,194) | 1,660 | - | - | 1,403 | - | - | (91,937) | |
| Due State New Jersey Infrastructure Loan | (872,294) | 1,227,782 | - | - | - | 355,488 | - | - | |
| Reserve for Debt Service | 296,700 | - | - | - | - | - | 355,488 | 355,488 | |
| Reserve for Encumbrances | 7,389 | - | - | - | - | 296,700 | - | 190,361 | |
| Due General Capital Fund | 8,027 | - | - | - | - | - | - | 7,389 | |
| Fund Balance | | | | | | | | 8,027 | |
| ORDINANCE IMPROVEMENT | | | | | | | | | |
| NUMBER | AUTHORIZATIONS | | | | | | | | |
| 1996-11 | Construction of Various Utility Capital Improvements | 14,285 | - | - | - | - | - | 14,285 | |
| 1997-06 | Construction of Various Utility Capital Improvements | 1,319 | - | - | - | - | - | 1,319 | |
| 1998-14 | Construction of Various Utility Capital Improvements | (8,005) | - | - | - | - | - | (8,005) | |
| 2001-11 | Various Capital Improvements | 2,159 | - | - | - | - | - | 2,159 | |
| 2002-10 | Various Capital Improvements | 23 | - | - | - | - | - | 23 | |
| 2002-17 | Various Capital Improvements | 1,474 | - | - | - | - | - | 1,474 | |
| 2002-19 | Improvements to the Wastewater Treatment Plant | (50,276) | - | - | - | - | - | (50,276) | |
| 2003-15 | Various Capital Improvements | 40 | - | - | - | - | - | 40 | |
| 2003-17 | Improvements to the Water Treatment Plant & Rehabilitation of Wells 9, 10 & 15 & the Englishtown Well & to Improve Related Water Mains at Deerbrook | 1,389 | - | - | - | - | - | 1,389 | |
| 2004-15 | Various Utility Capital Improvements | - | 2,120 | - | - | 2,746 | - | - | |
| 2004-19 | Various Utility Capital Improvements | - | - | - | - | 6,951 | 4,866 | - | |
| 2005-14 | Various Utility Capital Improvements | 487,703 | - | - | - | - | 6,951 | - | |
| 2006-10 | Various Utility Capital Improvements | 6,292 | - | - | - | - | - | 487,703 | |
| 2007-09 | Various Utility Capital Improvements | 162,923 | - | 53,856 | - | - | - | 6,292 | |
| 2007-11 | Various Infrastructure Improvements to the Sewage Treatment Plant | 15,832 | - | 6,200 | - | - | 4,000 | 105,067 | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER AND SEWER CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

| | BALANCE (OVERDRAFT) DECEMBER 31, 2012 | RECEIPTS | | DISBURSEMENTS | | | TRANSFERS | | BALANCE (OVERDRAFT) DECEMBER 31, 2013 |
|---|--|---------------|-------------------------------|---------------|------------|------------|------------|--------------|--|
| | | MISCELLANEOUS | IMPROVEMENT AUTHORIZATIONS | MISCELLANEOUS | FROM | TO | | | |
| 2007-27 Paving of the Driveway at the Township Sewer Treatment Plant & Acquisition of All Materials & Equipment Necessary for Completion | 131,514 | - | - | - | 33,500 | - | - | 98,014 | |
| 2008-19 Various Utility Capital Improvements | 107,271 | - | 35,762 | - | 21,877 | 52,041 | - | 101,673 | |
| 2008-20 Improvements for Phase II of the Sewer Plant Upgrade Project | (49,495) | - | 34,423 | - | - | - | - | (83,918) | |
| 2009-12 Improvements for Wastewater Treatment Plant | (95,690) | - | - | - | - | - | - | (95,690) | |
| 2009-14 Various Utility Capital Improvements | 17,533 | - | 1,780 | - | - | - | - | 15,753 | |
| 2009-20 Various Utility Capital Improvements | 949,185 | - | 214,873 | - | 43,008 | 30,461 | - | 721,765 | |
| 2009-27 Improvements for Wastewater Treatment Plant | 86,788 | - | 65,029 | - | - | 17,527 | - | 39,286 | |
| 2010-16 Various Utility Capital Improvements | (370,587) | - | 59,557 | - | 75,864 | 29,830 | - | (476,178) | |
| 2010-21 Various Utility Capital Improvements | 14,466 | - | 329,685 | - | 2,415 | 155,024 | - | (162,610) | |
| Total | \$ 985,170 | \$ 1,229,442 | \$ 803,285 | \$ 1,403 | \$ 842,549 | \$ 842,549 | \$ 842,549 | \$ 1,409,924 | |

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER AND SEWER RENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|----------------------------|----|-----------|
| Balance December 31, 2012 | \$ | 351,047 |
| Increased by: | | |
| Water & Sewer Rents Levied | | 6,136,053 |
| Subtotal | | 6,487,100 |
| Decreased by: | | |
| Collections | | 6,259,778 |
| Balance December 31, 2013 | \$ | 227,322 |

**SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | BALANCE DECEMBER 31, 2012 | | BALANCE | PAID OR | BALANCE |
|---------------------------|---------------------------|------------|--------------------|------------|-----------|
| | ENCUMBERED | RESERVED | AFTER TRANSFERS | CHARGED | LAPSED |
| Operations: | | | | | |
| Salaries & Wages | \$ - | \$ 39,603 | \$ 39,603 | \$ 20,825 | \$ 18,778 |
| Other Expenses | 222,196 | 191,667 | 413,863 | 404,872 | 8,991 |
| Capital Improvements: | | | | | |
| Capital Outlay | 13,147 | 36,844 | 49,991 | 12,947 | 37,044 |
| Statutory Expenditures: | | | | | |
| Social Security System | - | 2,399 | 2,399 | 1,593 | 806 |
| Total | \$ 235,343 | \$ 270,513 | \$ 505,856 | \$ 440,237 | \$ 65,619 |

| | |
|------------------|------------|
| Accounts Payable | \$ 5,329 |
| Disbursements | 434,908 |
| Total | \$ 440,237 |

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID WATER AND SEWER RENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------|--------------------------|
| Balance December 31, 2012 | \$ 225,652 |
| Increased by: | |
| Collections | <u>596,259</u> |
| Subtotal | 821,911 |
| Decreased by: | |
| Applied to 2013 Rents | <u>225,652</u> |
| Balance December 31, 2013 | <u><u>\$ 596,259</u></u> |

**SCHEDULE OF DUE TO WATER AND SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---|-------------------------|
| Balance December 31, 2012 | \$ 92,194 |
| Increased by: | |
| Receipts - Prior Year Interest Turned Over | <u>1,403</u> |
| Subtotal | 93,596 |
| Decreased by: | |
| Interest on Investments in Water & Sewer Utility Capital Fund | <u>1,660</u> |
| Balance December 31, 2013 | <u><u>\$ 91,937</u></u> |

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE | AMOUNT | BALANCE DECEMBER 31, 2012 | INCREASED | BALANCE DECEMBER 31, 2013 |
|------------------|---|----------|--------------|---------------------------|-----------|---------------------------|
| 1987-16 | Construction of Water Storage Tank | 08/04/87 | \$ 1,440,000 | \$ 3,349 | \$ - | \$ 3,349 |
| 1989-08 | Rehabilitation & Upgrade of Elm Drive Pumping Station | 04/18/89 | 220,000 | 16,247 | - | 16,247 |
| 1990-09 | Acquisition of Seven Yard Dump Truck | 06/04/90 | 57,000 | 538 | - | 538 |
| 1992-12 | Various Utility Capital Improvements & Rehabilitation of Water Storage Tank & Pump Stations | 07/20/92 | 325,000 | 246,258 | - | 246,258 |
| 1993-12 | Rehabilitation of Various Water Supply Mains | 05/17/93 | 835,208 | 835,208 | - | 835,208 |
| 1993-28 | Rehabilitation of Water Treatment & Distribution System | 12/06/93 | 489,585 | 489,585 | - | 489,585 |
| 1994-13 | Rehabilitation of Various Water Supply Mains | 03/07/94 | 475,000 | 478,844 | - | 478,844 |
| 1995-06 | Rehabilitation of Water Mains; Various Improvements; Control System for Water Treatment Plant & Construction of Southside Water Tank | 04/17/95 | 327,500 | 327,750 | - | 327,750 |
| 1995-11 | Replacement of Pump Station Force Main; Reconstruction of Sewer Lines & Rehabilitation of Sewer Treatment System | 07/17/95 | 466,184 | 466,184 | - | 466,184 |
| 1996-11 | Construction of Various Utility Capital Improvements | 06/17/96 | 1,349,000 | 1,264,127 | - | 1,264,127 |
| 1997-06 | Construction of Various Utility Capital Improvements | 03/17/97 | 1,357,000 | 607,000 | - | 607,000 |
| 1998-14 | Construction of Various Utility Capital Improvements | 06/03/98 | 1,750,000 | 1,750,000 | - | 1,750,000 |
| 2000-15 | Various Utility Capital Improvements | 05/17/00 | 1,209,000 | 1,209,000 | - | 1,209,000 |
| 2001-11 | Various Utility Capital Improvements | 05/22/01 | 1,635,000 | 1,635,000 | - | 1,635,000 |
| 2002-19 | Improvements to the Wastewater Treatment Facility | 04/23/02 | 1,766,000 | 1,766,000 | - | 1,766,000 |
| 2003-15 | Various Utility Capital Improvements | 06/10/03 | 370,000 | 370,000 | - | 370,000 |
| 2003-17 | Improvements to the Water Treatment Plant & Rehabilitation of Wells 9, 11 & 15 & the Englishtown Well & to Improve Related Water Mains at Deerbrook | 06/10/03 | 188,794 | 188,794 | - | 188,794 |
| 2004-01 | Refunding Bonds | 02/10/04 | 3,530,000 | - | - | - |
| 2004-15 | Various Utility Capital Improvements | 05/11/04 | 995,000 | 995,000 | - | 995,000 |
| 2004-19 | Various Utility Capital Improvements | 08/24/04 | 2,900,000 | 2,900,000 | 50,000 | 2,950,000 |
| 2005-14 | Various Utility Capital Improvements | 05/24/05 | 1,540,000 | 1,540,000 | 50,000 | 1,590,000 |
| 2006-10 | Various Utility Capital Improvements | 05/23/06 | 1,665,000 | 1,665,000 | - | 1,665,000 |
| 2007-11 | Various Utility Capital Improvements | 05/08/07 | 3,478,658 | 3,478,658 | - | 3,478,658 |
| 2007-11 | Various Infrastructure Improvements to the Sewerage Treatment Plant | 05/08/07 | 2,245,000 | 2,245,000 | - | 2,245,000 |
| 2007-14 | Repair, Reconstruction &/or Restoration of the Sewer System Damaged by the Flood | 06/26/07 | 500,000 | 500,000 | - | 500,000 |
| 2008-19 | Various Utility Capital Improvements | 05/27/08 | 569,000 | 569,000 | - | 569,000 |
| 2008-20 | Improvements for Phase II of the Sewer Plant Upgrade Project | 05/27/08 | 7,051,172 | 7,051,172 | 51,000 | 7,102,172 |
| 2009-11 | Improvements for Phase II of the Sewer Plant Upgrade Project | 04/28/09 | 3,939,262 | 3,939,262 | - | 3,939,262 |
| 2009-12 | Improvements for Wastewater Treatment Plant | 04/28/09 | 2,730,000 | 2,730,000 | - | 2,730,000 |
| 2009-20 | Various Utility Capital Improvements | 06/09/09 | 1,305,500 | 1,305,500 | - | 1,305,500 |
| 2009-27 | Improvements for Wastewater Treatment Plant | 11/10/09 | 3,500,000 | 3,500,000 | - | 3,500,000 |
| 2010-16 | Various Utility Capital Improvements | 06/22/10 | 1,050,000 | 1,050,000 | - | 1,050,000 |
| 2010-21 | Various Utility Capital Improvements | 07/31/10 | 3,470,000 | 3,470,000 | - | 3,470,000 |
| Total | | | | \$ 48,592,476 | 151,000 | \$ 48,743,476 |

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ACCOUNT | BALANCE DECEMBER 31, 2012 | INCREASED BY CAPITAL OUTLAY | BALANCE DECEMBER 31, 2013 |
|---|---------------------------------|--------------------------------------|---------------------------------|
| Enlargement of Plant & Extension of Stokes Road Sewer Line | \$ 413,390 | \$ - | \$ 413,390 |
| Sanitary Sewer System | 12,954,162 | - | 12,954,162 |
| Extension of Sewer Line on Christopher Mill Road | 1,375 | - | 1,375 |
| Extension of Sewer Line on Tuckerton Road | 3,517 | - | 3,517 |
| Extension of Sewer Line on Taunton Road | 3,963 | - | 3,963 |
| Site Work for Addition to Sewer Plant | 6,111 | - | 6,111 |
| Reconstruction of Oakwood Wastewater System & Installation of Southside Water Supply Wells | 1,720,000 | - | 1,720,000 |
| Rodding Machine | 1,231 | - | 1,231 |
| High Water Alarm System | 1,815 | - | 1,815 |
| Road & Drainage System | 30,000 | - | 30,000 |
| Manhole Covers | 4,848 | - | 4,848 |
| Extension of Sewer Line on Hoot Owl Section | 207,450 | - | 207,450 |
| Sludge De-Watering System | 171,657 | - | 171,657 |
| General System | 328,668 | - | 328,668 |
| Pickup Truck | 61,123 | - | 61,123 |
| Meters & Hydrants | 1,824,056 | 20,418 | 1,844,474 |
| Lab Equipment & Furniture | 9,165 | - | 9,165 |
| Communications Equipment | 2,558 | - | 2,558 |
| Reconditioning of Wells | 8,466 | - | 8,466 |
| Fencing | 1,565 | - | 1,565 |
| Office Equipment & Furniture | 47,773 | - | 47,773 |
| Interim Upgrade of Sewer Plant | 324,279 | - | 324,279 |
| Feasibility Study of Wastewater Treatment Facility | 26,287 | - | 26,287 |
| Gate Valve Installation | 10,898 | - | 10,898 |
| Computer | 28,149 | - | 28,149 |
| Flow Control System | 3,335 | - | 3,335 |
| Gasoline Storage Tank | 2,596 | - | 2,596 |
| Safety Equipment | 107,243 | 2,100 | 109,343 |
| Manhole Inserts | 22,974 | - | 22,974 |
| Rehabilitation of Wastewater Treatment Facility | 100,000 | - | 100,000 |
| Wastewater Jetter/Vector | 130,000 | - | 130,000 |
| Construction of Water Line in Vicinity of Jackson Road | 46,000 | - | 46,000 |
| Discount on Repayment of Loan from Farmers Home Administration | 3,120,000 | - | 3,120,000 |
| Installation of Water Line at Laurel Knoll Subdivision | 53,000 | - | 53,000 |
| Rehabilitation of Sewerage Treatment Tank #1 | 84,200 | - | 84,200 |
| Trucks | 497,693 | 35,888 | 533,581 |
| Sewerage Treatment Plant & Extension of Sewer Line on Stokes Road | 1,240,105 | - | 1,240,105 |
| Rehabilitation & Upgrading of Elm Drive Pumping Station | 139,128 | - | 139,128 |
| Charles Street Water main | 33,234 | - | 33,234 |
| Acquisition of Seven Yard Pickup Truck | 50,462 | - | 50,462 |
| Cost to Refinance Serial Bonds | 432,497 | - | 432,497 |
| Utility Equipment | 554,079 | 38,414 | 592,493 |
| Water Diversion Rights | 1,107,422 | - | 1,107,422 |
| Rehabilitation of Wells & Other Improvements to the Water & Sewer Utility System | 1,250,930 | - | 1,250,930 |
| Various Water & Sewer Capital Improvements & Upgrading & Rehabilitation of Utility System | 872,100 | - | 872,100 |
| Construction of Southside Water Supply Wells | 474,050 | - | 474,050 |
| Furniture & Equipment | 7,234 | - | 7,234 |
| Water & Sewer Improvements on Various Municipal Roadways | 438,604 | - | 438,604 |
| Total | \$ 28,959,392 | \$ 96,820 | \$ 29,056,212 |
| | | \$ 83,873 | |
| | | <u>12,947</u> | |
| | | <u>\$ 96,820</u> | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2013

| | | |
|-----------------------------------|----|-----------|
| Balance December 31, 2012 | \$ | 411,500 |
| Increased by: | | |
| Charged to Budget Appropriations: | | |
| Interest on Bonds & Loans | | 818,380 |
| Subtotal | | 1,229,880 |
| Decreased by: | | |
| Disbursed | | 902,368 |
| Balance December 31, 2013 | \$ | 327,512 |

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2013

| PRINCIPAL OUTSTANDING DECEMBER 31, 2013 | INTEREST RATE | ISSUE DATE | | PERIOD | AMOUNT |
|--|------------------|------------|----------|------------|------------|
| | | FROM | TO | | |
| Serial Bonds: | | | | | |
| 200,000 | Various | 07/01/13 | 12/31/13 | 6.0 Months | \$ 3,800 |
| 1,157,000 | Various | 11/15/12 | 12/31/13 | 1.5 Months | 6,402 |
| 3,750,000 | Various | 07/15/12 | 12/31/13 | 5.5 Months | 71,586 |
| 1,055,600 | Various | 07/01/13 | 12/31/13 | 6.0 Months | 12,593 |
| 5,080,000 | Various | 08/01/13 | 12/31/13 | 5.0 Months | 42,474 |
| 1,305,000 | Various | 11/01/13 | 12/31/13 | 2.0 Months | 5,627 |
| Loans: | | | | | |
| 490,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 10,188 |
| 890,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 16,816 |
| 3,255,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 69,823 |
| 1,750,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 30,578 |
| 655,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 11,479 |
| 735,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 15,313 |
| 1,480,000 | Various | 08/01/12 | 12/31/13 | 5.0 Months | 30,833 |
| Total | | | | | \$ 327,512 |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORDINANCE DATE | BALANCE DECEMBER 31, 2012 | | ENCUMBRANCES RECLASSIFIED | PAID | BALANCE DECEMBER 31, 2013 | | |
|------------------|---|----------------|---------------------------|--------------|---------------------------|------------|---------------------------|------------|------------|
| | | | AMOUNT | FUNDED | | | FUNDED | UNFUNDED | |
| 1996-11 | Construction of Various Utility Capital Improvements | 06/17/96 | \$ 1,349,000 | \$ 14,285 | - | \$ - | \$ 14,285 | \$ - | |
| 1997-06 | Construction of Various Utility Capital Improvements | 04/21/97 | 1,357,000 | 1,319 | - | - | 1,319 | - | |
| 1998-14 | Construction of Various Utility Capital Improvements | 06/03/98 | 1,750,000 | - | - | - | - | 34,280 | |
| 2001-11 | Various Utility Capital Improvements | 05/22/01 | 1,635,000 | 2,159 | - | - | 2,159 | - | |
| 2002-10 | Various Utility Capital Improvements | 03/12/02 | 303,604 | 23 | - | - | 23 | - | |
| 2002-17 | Various Utility Capital Improvements | 04/09/02 | 1,635,000 | 1,474 | - | - | 1,474 | - | |
| 2002-19 | Improvements to the Wastewater Treatment Plant | 04/23/02 | 1,766,000 | - | - | - | - | 15 | |
| 2003-15 | Various Utility Capital Improvements | 06/10/03 | 370,000 | 40 | - | - | 40 | - | |
| 2003-17 | Improvements to the Water Treatment Plant & Rehabilitation of Wells 9, 10 & 15 & the Englishtown Well & to Improve Related Water Mains at Deerbrook | 06/10/03 | 188,794 | 1,389 | - | - | 1,389 | - | |
| 2004-15 | Various Utility Capital Improvements | 05/11/04 | 995,000 | - | 4,866 | - | - | - | |
| 2004-19 | Various Utility Capital Improvements | 08/24/04 | 2,900,000 | - | 6,951 | 2,120 | - | 2,746 | |
| 2005-14 | Various Utility Capital Improvements | 05/24/05 | 1,540,000 | 487,703 | - | - | 487,703 | 6,951 | |
| 2006-10 | Various Utility Capital Improvements | 05/23/06 | 1,665,000 | 6,292 | - | - | 6,292 | - | |
| 2007-09 | Various Utility Capital Improvements | 05/08/07 | 3,478,658 | 162,923 | - | 53,856 | 105,067 | - | |
| 2007-11 | Various Infrastructure Improvements to the Sewage Treatment Plant | 05/08/07 | 2,245,000 | 15,832 | - | 6,200 | 9,632 | 800 | |
| 2007-27 | Paving of the Driveway at the Township Sewer Treatment Plant & Acquisition of all Materials & Equipment Necessary for Completion | 11/27/07 | 29,529 | 131,514 | - | - | 98,014 | - | |
| 2008-19 | Various Utility Capital Improvements | 05/27/08 | 569,000 | 107,271 | 52,041 | 35,762 | 101,673 | 33,500 | |
| 2008-20 | Improvements for Phase II of the Sewer Plant Upgrade Project | 05/27/08 | 7,051,172 | 75,532 | - | 34,423 | - | 41,109 | |
| 2009-14 | Various Utility Capital Improvements | 05/12/09 | 438,611 | 17,533 | - | 1,780 | 15,753 | - | |
| 2009-20 | Various Utility Capital Improvements | 06/09/09 | 1,305,500 | - | 30,461 | 214,873 | 721,765 | 500 | |
| 2009-27 | Improvements for Wastewater Treatment Plant | 11/10/09 | 3,500,000 | 86,788 | 17,527 | 65,029 | 39,286 | 43,008 | |
| 2010-16 | Various Utility Capital Improvements | 06/22/10 | 1,050,000 | - | 29,830 | 59,557 | - | 75,864 | |
| 2010-21 | Various Utility Capital Improvements | 07/31/10 | 3,470,000 | 14,465 | 155,024 | 329,685 | - | 14,889 | |
| Total | | | \$ 1,126,542 | \$ 1,841,959 | \$ 296,700 | \$ 803,285 | \$ 1,605,874 | \$ 665,681 | \$ 190,361 |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|---------------------------------------|----|---------|
| Balance December 31, 2012 | \$ | 296,700 |
| Increased by: | | |
| Charges to Improvement Authorizations | | 190,361 |
| Subtotal | | 487,061 |
| Decreased by: | | |
| Prior Year Balance Reappropriated | | 296,700 |
| Balance December 31, 2013 | \$ | 190,361 |

**SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|---------------------------------|----|------------|
| Balance December 31, 2012 | \$ | 41,201,942 |
| Increased by: | | |
| Paid by Utility Operating Fund: | | |
| Serial Bonds | \$ | 1,341,400 |
| Loans Payable | | 972,357 |
| Capital Outlay: | | |
| 2013 Budget Charges | | 96,820 |
| | | 2,410,577 |
| Balance December 31, 2013 | \$ | 43,612,519 |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATUREITIES OF BONDS OUTSTANDING | | | INTEREST RATE | ISSUED | DEFEASED | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|--------------------------|---------------|----------------|----------------------------------|-------------------|--------|---------------|-----------|------------|------------------------------|---------------------------|
| | | | DATE | DECEMBER 31, 2012 | AMOUNT | | | | | |
| General Obligation Bonds | 09/01/98 | \$ 2,038,500 | | \$ 170,000 | | \$ - | \$ - | \$ 170,000 | \$ - | |
| General Obligation Bonds | 07/01/04 | 1,296,000 | | 871,000 | | - | 796,000 | 75,000 | - | |
| General Obligation Bonds | 07/23/08 | 4,563,000 | | 1,480,000 | | - | 1,230,000 | 250,000 | - | |
| General Obligation Bonds | 07/01/05 | 4,363,000 | 200,000 | 3,313,000 | 3.800% | - | 2,963,000 | 150,000 | 200,000 | |
| General Obligation Bonds | 12/28/06 | 1,581,750 | 67,000 | 1,221,000 | 5.000% | - | - | 64,000 | 1,157,000 | |
| | | | 70,000 | | 5.000% | | | | | |
| | | | 74,000 | | 5.000% | | | | | |
| | | | 78,000 | | 4.000% | | | | | |
| | | | 81,000 | | 4.250% | | | | | |
| | | | 84,000 | | 5.000% | | | | | |
| | | | 88,000 | | 5.000% | | | | | |
| | | | 93,000 | | 4.125% | | | | | |
| | | | 97,000 | | 4.125% | | | | | |
| | | | 101,000 | | 4.125% | | | | | |
| | | | 105,000 | | 4.125% | | | | | |
| | | | 109,000 | | 4.125% | | | | | |
| | | | 110,000 | | 4.250% | | | | | |
| General Obligation Bonds | 07/23/08 | 4,563,000 | 200,000 | 3,950,000 | 3.625% | - | - | 200,000 | 3,750,000 | |
| | | | 200,000 | | 3.750% | | | | | |
| | | | 200,000 | | 3.750% | | | | | |
| | | | 200,000 | | 4.000% | | | | | |
| | | | 200,000 | | 4.000% | | | | | |
| | | | 250,000 | | 4.000% | | | | | |
| | | | 250,000 | | 4.000% | | | | | |
| | | | 250,000 | | 4.125% | | | | | |
| | | | 250,000 | | 4.250% | | | | | |
| | | | 250,000 | | 4.250% | | | | | |
| | | | 300,000 | | 4.250% | | | | | |
| | | | 300,000 | | 4.375% | | | | | |
| | | | 300,000 | | 4.500% | | | | | |
| | | | 300,000 | | 4.500% | | | | | |
| | | | 300,000 | | 4.500% | | | | | |
| Refunding Bonds | 11/21/11 | 1,593,200 | 380,800 | 1,428,000 | 3.000% | - | - | 372,400 | 1,055,600 | |
| | | | 232,400 | | 2.000% | | | | | |
| | | | 114,800 | | 2.000% | | | | | |
| | | | 112,000 | | 2.000% | | | | | |
| | | | 109,200 | | 2.000% | | | | | |
| | | | 106,400 | | 2.250% | | | | | |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | ISSUED | DEFEASED | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|--|---------------|----------------|---------------------------------|---------|-------------------|---------------|---------------------------|--------|----------|------------------------------|---------------------------|
| | | | DATE | AMOUNT | DECEMBER 31, 2012 | | | | | | |
| Refunding Bonds | 05/17/13 | 5,140,000 | 08/01/14 | 360,000 | 1.500% | - | 5,140,000 | - | 60,000 | 5,080,000 | |
| | | | 08/01/15 | 560,000 | 2.000% | | | | | | |
| | | | 08/01/16 | 535,000 | 2.000% | | | | | | |
| | | | 08/01/17 | 460,000 | 2.000% | | | | | | |
| | | | 08/01/18 | 480,000 | 2.000% | | | | | | |
| | | | 08/01/19 | 505,000 | 2.000% | | | | | | |
| | | | 08/01/20 | 530,000 | 2.000% | | | | | | |
| | | | 08/01/21 | 400,000 | 2.000% | | | | | | |
| | | | 08/01/22 | 385,000 | 2.000% | | | | | | |
| | | | 08/01/23 | 295,000 | 2.000% | | | | | | |
| | | | 08/01/24 | 285,000 | 2.250% | | | | | | |
| | | | 08/01/25 | 285,000 | 2.500% | | | | | | |
| General Obligation Bonds | 07/23/08 | 4,563,000 | 05/1/14 | 55,000 | 2.000% | - | 1,305,000 | - | - | 1,305,000 | |
| | | | 05/1/15 | 55,000 | 2.000% | | | | | | |
| | | | 05/1/16 | 55,000 | 2.000% | | | | | | |
| | | | 05/1/17 | 55,000 | 2.000% | | | | | | |
| | | | 05/1/18 | 55,000 | 2.000% | | | | | | |
| | | | 05/1/19 | 55,000 | 2.000% | | | | | | |
| | | | 05/1/20 | 60,000 | 2.000% | | | | | | |
| | | | 05/1/21 | 60,000 | 2.000% | | | | | | |
| | | | 05/1/22 | 60,000 | 2.000% | | | | | | |
| | | | 05/1/23 | 60,000 | 2.000% | | | | | | |
| | | | 05/1/24 | 65,000 | 3.000% | | | | | | |
| | | | 05/1/25 | 65,000 | 3.000% | | | | | | |
| | | | 05/1/26 | 70,000 | 3.000% | | | | | | |
| | | 05/1/27 | 70,000 | 3.000% | | | | | | | |
| | | 05/1/28 | 70,000 | 3.000% | | | | | | | |
| | | 05/1/29 | 75,000 | 3.000% | | | | | | | |
| | | 05/1/30 | 75,000 | 3.000% | | | | | | | |
| | | 05/1/31 | 80,000 | 3.000% | | | | | | | |
| | | 05/1/32 | 80,000 | 3.125% | | | | | | | |
| | | 05/1/33 | 85,000 | 3.250% | | | | | | | |
| Total | | | | | | | | | | | |
| \$ 12,433,000 \$ 6,445,000 \$ 4,989,000 \$ 1,341,400 \$ 12,547,600 | | | | | | | | | | | |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|----------------------------------|---------------|----------------|---------------------------------|--------|---------------|---------------------------|------------------------------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| NJ Environmental Protection Loan | 10/30/02 | 835,000 | 08/01/14 | 45,000 | 5.25% | \$ 530,000 | \$ 40,000 | \$ 490,000 |
| | | | 08/01/15 | 45,000 | 5.00% | | | |
| | | | 08/01/16-17 | 50,000 | 5.00% | | | |
| | | | 08/01/18-19 | 55,000 | 5.00% | | | |
| | | | 08/01/20 | 60,000 | 5.00% | | | |
| | | | 08/01/21 | 65,000 | 5.00% | | | |
| | | 08/01/22 | 65,000 | 4.75% | | | | |
| NJ Environmental Protection Loan | 10/30/02 | 880,709 | (1) | (1) | NIL | 450,296 | 43,687 | 406,609 |
| NJ Environmental Protection Loan | 11/08/07 | 1,100,000 | 08/01/14 | 45,000 | 3.60% | 935,000 | 45,000 | 890,000 |
| | | | 08/01/15-16 | 50,000 | 5.00% | | | |
| | | | 08/01/17-18 | 55,000 | 5.00% | | | |
| | | | 08/01/19-20 | 60,000 | 4.00% | | | |
| | | | 08/01/21-22 | 65,000 | 5.00% | | | |
| | | | 08/01/23 | 70,000 | 4.25% | | | |
| | | 08/01/24-25 | 75,000 | 4.50% | | | | |
| | | 08/01/26 | 80,000 | 4.50% | | | | |
| | | 08/01/27 | 85,000 | 4.25% | | | | |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|----------------------------------|---------------|----------------|-------------------------------|---------|---------------|---------------------------|------------------------------|---------------------------|
| | | | OUTSTANDING DECEMBER 31, 2013 | AMOUNT | | | | |
| NJ Environmental Protection Loan | 11/08/07 | 1,106,200 | (1) | (1) | NIL | 851,421 | 56,630 | 794,791 |
| NJ Environmental Protection Loan | 11/06/08 | 3,141,145 | (1) | (1) | NIL | 2,575,464 | 159,989 | 2,415,475 |
| NJ Environmental Protection Loan | 11/06/08 | 3,785,000 | 08/01/14 | 150,000 | 5.00% | 3,395,000 | 140,000 | 3,255,000 |
| | | | 08/01/15 | 155,000 | 5.00% | | | |
| | | | 08/01/16 | 165,000 | 5.00% | | | |
| | | | 08/01/17 | 175,000 | 5.00% | | | |
| | | | 08/01/18 | 180,000 | 5.00% | | | |
| | | | 08/01/19 | 190,000 | 5.00% | | | |
| | | | 08/01/20 | 200,000 | 5.00% | | | |
| | | | 08/01/21 | 210,000 | 5.00% | | | |
| | | | 08/01/22 | 225,000 | 5.00% | | | |
| | | | 08/01/23 | 235,000 | 5.00% | | | |
| | | | 08/01/24 | 250,000 | 5.00% | | | |
| | | | 08/01/25 | 260,000 | 5.00% | | | |
| | | | 08/01/26 | 275,000 | 5.00% | | | |
| | | | 08/01/27 | 285,000 | 5.00% | | | |
| | | | 08/01/28 | 300,000 | 5.00% | | | |
| NJ Environmental Protection Loan | 11/19/09 | 1,857,763 | (1) | (1) | NIL | 1,605,862 | 94,463 | 1,511,399 |
| NJ Environmental Protection Loan | 11/19/09 | 1,965,000 | 08/01/14 | 75,000 | 5.00% | 1,825,000 | 75,000 | 1,750,000 |
| | | | 08/01/15 | 80,000 | 5.00% | | | |
| | | | 08/01/16 | 85,000 | 5.00% | | | |
| | | | 08/01/17 | 90,000 | 5.00% | | | |
| | | | 08/01/18 | 95,000 | 5.00% | | | |
| | | | 08/01/19 | 100,000 | 4.00% | | | |
| | | | 08/01/20 | 100,000 | 4.00% | | | |
| | | | 08/01/21 | 105,000 | 4.00% | | | |
| | | | 08/01/22 | 110,000 | 3.50% | | | |
| | | | 08/01/23 | 115,000 | 4.00% | | | |
| | | | 08/01/24 | 120,000 | 4.00% | | | |
| | | | 08/01/25 | 125,000 | 3.75% | | | |
| | | | 08/01/26 | 130,000 | 4.00% | | | |
| | | | 08/01/27 | 135,000 | 4.00% | | | |
| | | | 08/01/28 | 140,000 | 4.00% | | | |
| | | | 08/01/29 | 145,000 | 4.00% | | | |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|----------------------------------|---------------|----------------|---------------------------------|-------------------|--------|---------------|---------------------------|------------------------------|---------------------------|
| | | | DATE | DECEMBER 31, 2013 | AMOUNT | | | | |
| NJ Environmental Protection Loan | 03/10/10 | 2,252,000 | (1) | (1) | NIL | 648,304 | 38,136 | 610,168 | |
| NJ Environmental Protection Loan | 03/10/10 | 735,000 | 08/01/14 | 30,000 | 5.00% | 685,000 | 30,000 | 655,000 | |
| | | | 08/01/15 | 30,000 | 5.00% | | | | |
| | | | 08/01/16 | 30,000 | 5.00% | | | | |
| | | | 08/01/17 | 35,000 | 5.00% | | | | |
| | | | 08/01/18 | 35,000 | 5.00% | | | | |
| | | | 08/01/19 | 35,000 | 4.00% | | | | |
| | | | 08/01/20 | 40,000 | 5.00% | | | | |
| | | | 08/01/21 | 40,000 | 3.00% | | | | |
| | | | 08/01/22 | 40,000 | 4.00% | | | | |
| | | | 08/01/23 | 45,000 | 4.00% | | | | |
| | | | 08/01/24 | 45,000 | 4.00% | | | | |
| | | | 08/01/25 | 45,000 | 4.00% | | | | |
| | | | 08/01/26 | 50,000 | 3.50% | | | | |
| | | | 08/01/27 | 50,000 | 4.00% | | | | |
| | | | 08/01/28 | 50,000 | 4.00% | | | | |
| | | | 08/01/29 | 55,000 | 4.00% | | | | |
| NJ Environmental Protection Loan | 12/02/10 | 2,478,810 | (1) | (1) | NIL | 2,268,742 | 126,041 | 2,142,701 | |
| NJ Environmental Protection Loan | 12/02/10 | 785,000 | 08/01/14-16 | 30,000 | 5.00% | 760,000 | 25,000 | 735,000 | |
| | | | 08/01/17-19 | 35,000 | 5.00% | | | | |
| | | | 08/01/20-22 | 40,000 | 5.00% | | | | |
| | | | 08/01/23-24 | 45,000 | 5.00% | | | | |
| | | | 08/01/25-26 | 50,000 | 5.00% | | | | |
| | | | 08/01/27-28 | 55,000 | 5.00% | | | | |
| | | | 08/01/29-30 | 60,000 | 5.00% | | | | |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | PAID BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2013 |
|----------------------------------|---------------|----------------|---------------------------------|---------|---------------|---------------------------|------------------------------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| NJ Environmental Protection Loan | 12/02/10 | 17,500 | (1) | (1) | NIL | 781,399 | 43,411 | 737,988 |
| NJ Environmental Protection Loan | 12/02/10 | 1,585,000 | 08/01/15 | 60,000 | 5.00% | 1,535,000 | 55,000 | 1,480,000 |
| | | | 08/01/16-17 | 65,000 | 5.00% | | | |
| | | | 08/01/18 | 70,000 | 5.00% | | | |
| | | | 08/01/19-20 | 75,000 | 5.00% | | | |
| | | | 08/01/21 | 80,000 | 5.00% | | | |
| | | | 08/01/22 | 85,000 | 5.00% | | | |
| | | | 08/01/23 | 90,000 | 5.00% | | | |
| | | | 08/01/24 | 95,000 | 5.00% | | | |
| | | | 08/01/25-26 | 100,000 | 5.00% | | | |
| | | | 08/01/27 | 105,000 | 5.00% | | | |
| | | | 08/01/28 | 115,000 | 5.00% | | | |
| | | | 08/01/29 | 120,000 | 5.00% | | | |
| | | | 08/01/30 | 125,000 | 5.00% | | | |
| Total | | | | | | \$ 18,846,488 | \$ 972,357 | \$ 17,874,131 |

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

**TOWNSHIP OF MEDFORD
SEWER CONNECTION TRUST FUND
SCHEDULE OF DUE TO WATER AND SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|--|----|---------|
| Balance December 31, 2012 | \$ | 400,030 |
| Increased by: | | |
| Receipts - Interest Earned on Deposits | | 167 |
| Subtotal | | 400,197 |
| Decreased by: | | |
| Disbursements | | 169 |
| Balance December 31, 2013 | \$ | 400,028 |

**SCHEDULE OF RESERVE FOR SEWER CONNECTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | | |
|----------------------------------|----|---------|
| Balance December 31, 2013 & 2012 | \$ | 137,000 |
|----------------------------------|----|---------|

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORIGINAL DATE OF ISSUE | BALANCE DECEMBER 31, 2012 | INCREASED | DECREASED | BALANCE DECEMBER 31, 2013 |
|---------------------|--------------------------------------|------------------------------|---------------------------------|-----------|---------------------|---------------------------------|
| 2009-20 | Various Utility Capital Improvements | 07/12/10 | \$ 1,305,000 | | \$ 1,305,000 | \$ - |
| | Total | | <u>\$ 1,305,000</u> | <u>-</u> | <u>\$ 1,305,000</u> | <u>\$ -</u> |

**TOWNSHIP OF MEDFORD
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2013**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE DECEMBER 31, 2013 & 2012 |
|---------------------|--|--|
| 1998-14 | Construction of Various Utility Capital Improvements | \$ 42,284 |
| 2002-19 | Improvements to the Wastewater Treatment Fund | 50,291 |
| 2007-09 | Various Utility Capital Improvements | 267 |
| 2007-11 | Various Infrastructure Improvements to the Sewerage Treatment Plant | 800 |
| 2008-20 | Improvements for Phase II of the Sewer Plant Upgrade Project | 125,027 |
| 2009-12 | Improvements to the Wastewater Treatment Fund | 95,689 |
| 2009-20 | Various Utility Capital Improvements | 500 |
| 2010-16 | Various Utility Capital Improvements | 1,050,000 |
| 2010-21 | Various Utility Capital Improvements | <u>177,500</u> |
| | Total | <u>\$ 1,542,358</u> |

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|---------------------------------|--------------------------|
| Balance December 31, 2012 | \$ - |
| Increased by: | |
| NJEIT Loan Forgiveness Receipts | <u>355,488</u> |
| Balance December 31, 2013 | <u><u>\$ 355,488</u></u> |

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

| | |
|----------------------------------|--------------------------|
| Balance December 31, 2013 & 2012 | <u><u>\$ 211,399</u></u> |
|----------------------------------|--------------------------|

**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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The Honorable Mayor and Members of the
Township Council
Township of Medford
Medford, New Jersey 08057

We have audited the financial statements – statutory basis of the Medford Township in the County of Burlington for the year ended December 31, 2013.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Council and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Township records.

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 \$17,500 except by contract or agreement.

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 bids were requested by public advertising for the following items:

Fairview and Bretshire Paving Projects, Grit Removal, and Sewer Rehabilitation project.

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

A test was conducted to determine that expenditures greater than \$2,625 obtained solicitation of quotes. No exceptions were noted.

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*.

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Township Council.

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.

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 thereafter "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 and Assessments

N.J.S.54:4-67, as amended, provides the method for authorizing interest and the maximum rates 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 1, 2013 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as 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). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made within ten (10) days after the date upon which same became payable.”

The Township also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

Collection of Interest on Delinquent Taxes and Assessments (continued):

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, 2013 included real estate taxes for 2013 & 2012.

The last tax sale was held on April 24, 2013 and was complete.

Inspection of 2013 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

| YEAR | NUMBER OF LIENS |
|-------------|------------------------|
| 2013 | 72 |
| 2012 | 73 |
| 2011 | 56 |

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get properties back on a taxpaying basis.

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

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.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of the Township employees.

Municipal Court

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

Municipal Court (continued):

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.

A test sample was selected of fifteen (15); ten traffic and five criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

Tax Collector's Annual Report

N.J.S.54:4-91 requires that on or before May 1st of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2012 with the governing body.

Construction Code Office

- (1) **Indirect Costs** – Indirect costs are not allocated to the Construction Code Budget Appropriation.

Construction Code Office (continued):

- (2) **Annual Report** – An annual report of revenue, expenditures and a recommendation for any fee increase or decrease was filed with the governing body.
- (3) **Construction Code Costs** – A test was conducted to determine that all revenues collected for construction code fees are applied to pay for municipal costs of enforcing the Uniform Construction Code [*N.J.A.C.5:23.17(c)2*]. No exceptions were discovered as a result of the test that would indicate that construction code revenues were not being applied to pay for costs related to enforcement of the Uniform Construction Code.
- (4) **Construction Code Permits** – A test of the fees charged for construction code permits disclosed no exceptions regarding charges being levied in accordance with the Township Ordinances in effect.

Treasurer:

***Finding 2013-01:**

Although the subsidiary accounting records were balanced, the general ledger for all funds was not properly maintained and as a result material audit adjustments were needed in order to achieve proper presentation in the financial statements.

Recommendation:

That the general ledger for all funds be accurately and completely maintained to ensure adequate control over the preparation of the financial statements and related footnotes.

Management Response:

The Township of Medford agrees with this finding, and will correct it accordingly. The Township has hired a new employee to accurately complete and maintain it's general ledger going forward.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except with those marked above with an asterisk (*).

Treasurer:

***Finding 2013-01:**

Although the subsidiary accounting records were balanced, the general ledger for all funds was not properly maintained and as a result material audit adjustments were needed in order to achieve proper presentation in the financial statements.

Recommendation:

That the general ledger for all funds be accurately and completely maintained to ensure adequate control over the preparation of the financial statements and related footnotes.

Management Response:

The Township of Medford agrees with this finding, and will correct it accordingly.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except with those marked above with an asterisk (*).

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2013:

| NAME | POSITION | AMOUNT OF BOND | |
|-------------------------|--|----------------|-----|
| Frank Czekay | Mayor | | |
| Chris Buoni | Deputy Mayor | | |
| James Pace | Councilman | | |
| Jeffrey Beenstock | Councilman | | |
| Chuck Watson | Councilman | | |
| Christopher J. Schultz | Township Manager | \$1,000,000 | (A) |
| Katherine Burger | Chief Financial Officer/ Township Clerk/Treasurer | \$1,000,000 | (A) |
| Patricia D. Capasso | Tax Collector | \$1,000,000 | (A) |
| Joseph Rahman | Tax Assessor | | |
| Peter C. Lange | Magistrate | \$1,000,000 | (A) |
| Theodora Palmer | Court Administrator | \$1,000,000 | (A) |
| Stacy McBride | Deputy Court Administrator | \$1,000,000 | (A) |
| Chris Norman | Solicitor | | |
| Dante Guzzi Engineering | Engineer | | |
| George Morris | Prosecutor | | |
| James Fattorini | Public Defender | | |

(A) Covered under the Blanket Bond Coverage through the Burlington County Municipal Joint Insurance Fund for \$1,000,000.00.

Acknowledgment

We express our appreciation for the assistance and 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, please contact us.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
April 11, 2013