

TOWNSHIP OF GLOUCESTER
COUNTY OF CAMDEN

REPORT OF AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2013



75 YEARS OF SERVICE
1939-2014

TOWNSHIP OF GLOUCESTER
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART 1</u>		
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance--Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	12
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	18
B-1	Municipal Open Space Trust Fund--Statement of Operations and Changes in Reserve for Future Use--Regulatory Basis	20
B-2	Municipal Open Space Trust Fund--Statement of Revenues-- Regulatory Basis	21
B-3	Municipal Open Space Trust Fund--Statement of Expenditures-- Regulatory Basis	22
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	23
C-1	Statement of Fund Balance--Regulatory Basis	24
<u>GENERAL FIXED ASSET GROUP OF ACCOUNTS</u>		
D	Statement of General Fixed Asset Group of Accounts	25
	Notes to Financial Statements	26

TOWNSHIP OF GLOUCESTER
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash -- Treasurer	46
SA-2	Schedule of Change Funds	47
SA-3	Statement of Petty Cash Fund	47
SA-4	Statement of Due from State of New Jersey Senior Citizens' and Veterans' Deductions	48
SA-5	Statement of Taxes Receivable and Analysis of Property Tax Levy	49
SA-6	Statement of Tax Title Liens	50
SA-7	Statement of Revenue Accounts Receivable	51
SA-8	Statement of Accounts Payable	52
SA-9	Statement of Special (Fire) District Taxes Payable	52
SA-10	Statement of Appropriation Reserves	53
SA-11	Statement of Prepaid Taxes	55
SA-12	Statement of Tax Overpayments	55
SA-13	Statement of Deferred Charges - N.J.S.A. 40A:4-55 Special Emergency Authorizations	56
SA-14	Schedule of Special Emergency Note Payable	56
SA-15	Statement of County Taxes Payable	57
SA-16	Statement of Due County for Added and Omitted Taxes	57
SA-17	Statement of Regional High School Tax	58
SA-18	Statement of Local District School Tax Payable	58
SA-19	Statement of Municipal Open Space Tax	59
SA-20	Statement of Reserve for Encumbrances	60
SA-21	Statement of Changes in (Assets), Liabilities and Reserves	61
SA-22	Federal and State Grant Fund--Statement of Due from/(to) Current Fund	62
SA-23	Federal and State Grant Fund--Statement of Federal, and State Grants Receivable	63
SA-24	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	64
SA-25	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	65
<u>TRUST FUND</u>		
SB-1	Statement of Trust Cash --Treasurer	67
SB-2	Animal Control Fund--Statement of Due to Current Fund	68
SB-3	Animal Control Fund--Statement of Due to State of New Jersey	68
SB-4	Animal Control Fund--Statement of Reserve for Animal Control Fund Expenditures	68
SB-5	Municipal Open Space Trust Fund--Statement of Due to Current Fund	69
SB-6	Municipal Open Space Trust Fund--Statement of Reserve for Future Use	69
SB-7	Municipal Open Space Trust Fund--Statement of Due to Trust Other Fund	69
SB-8	Trust-Other Funds--Statement of Due from Current Fund	70
SB-9	Trust-Other Funds--Statement of Changes in Miscellaneous Trust Other Receivables	71
SB-10	Trust-Other Funds--Statement of Changes in Miscellaneous Trust Other Reserves	72
SB-11	Trust-Other Funds--Statement of Due from General Capital Fund	73

TOWNSHIP OF TOWNSHIP OF GLOUCESTER
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital	75
SC-2	Analysis of General Capital Cash	76
SC-3	Statement of Deferred Charges to Future Taxation-Funded	77
SC-4	Statement of Deferred Charges to Future Taxation-Unfunded	78
SC-5	Statement of Improvement Authorizations	79
SC-6	Statement of Due from Current Fund	80
SC-7	Statement of Capital Improvement Fund	80
SC-8	Statement of General Serial Bonds	81
SC-9	Statement of Green Acres Trust Fund Loan Payable	83
SC-10	Statement of New Jersey Environmental Trust Fund Loan Payable	84
SC-11	Statement of Reserve for Encumbrances	85
SC-12	Statement of Bond Anticipation Notes	86
SC-13	Statement of Due from State of New Jersey Environmental Infrastructure Trust Receivable	87
SC-14	Statement of Bonds and Notes Authorized But Not Issued	88
<u>PART 2</u>		
<u>SINGLE AUDIT</u>		
	Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB	90
B	Schedule of Expenditures of State Financial Assistance	92
	Notes to Schedule of Expenditures of State Financial Assistance	94
<u>PART 3</u>		
<u>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</u>		
	Summary of Auditor's Results	96
	Schedule of Financial Statement Findings	98
	Schedule of Federal Financial Assistance Findings and Questioned Costs	99
	Schedule of State Financial Assistance Findings and Questioned Costs	100
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	101
	Officials in Office and Surety Bonds	102
	Appreciation	103

TOWNSHIP OF GLOUCESTER
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Gloucester, in the County of Camden, State of New Jersey, as of December 31, 2013, and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Gloucester, in the County of Camden, State of New Jersey, as of December 31, 2013, and the results of its operations and changes in fund balance - regulatory basis of such funds for the year then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, 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.

Prior Period Financial Statements

The financial statements of the Township of Gloucester as of December 31, 2012, were audited by other auditors whose report dated April 4, 2013, expressed an adverse opinion under accounting principles generally accepted in the United States of America and an unmodified opinion under the regulatory basis of accounting.

Other Information

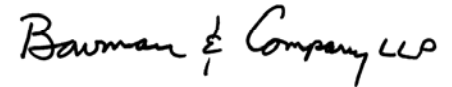
Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the Township's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance programs is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is also not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 11, 2014

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Gloucester
Gloucester Township, 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 the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Gloucester, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 11, 2014. That report indicated that the Township of Gloucester's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In addition, that report also indicated that the financial statements of the Township of Gloucester, in the County of Camden, State of New Jersey, as of December 31, 2012, were audited by other auditors whose report dated April 4, 2013, expressed an adverse opinion under accounting principles generally accepted in the United States of America and an unmodified opinion under the regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

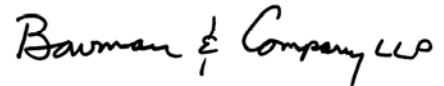
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Gloucester'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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 11, 2014

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

ASSETS:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Regular Fund:			
Cash	SA-1	\$ 11,380,460.42	\$ 11,806,666.13
Cash -- Change Funds	SA-2	1,850.00	1,850.00
Due State of New Jersey:			
Senior Citizens' and Veterans Deductions	SA-4	85,995.74	92,242.59
		<u>11,468,306.16</u>	<u>11,900,758.72</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	302,359.44	386,604.16
Tax Title Liens Receivable	SA-6	753,373.16	653,643.84
Revenue Accounts Receivable	SA-7	215,316.97	253,446.99
Property Maintenance Liens Receivable	SA-21	36,421.19	10,825.86
Police Outside Service Receivable	SA-21	8,467.18	6,883.23
Due from Federal and State Grant Fund	SA-22	40,896.62	
Due from Animal Control Trust Fund	SB-2	3.12	28.19
Due from Municipal Open Space Trust Fund	SB-5	8,425.51	
		<u>1,365,263.19</u>	<u>1,311,432.27</u>
Deferred Charges:			
Special Emergency Authorizations	SA-13		302,000.00
Prepaid Emergency Note	SA-14		36,000.00
			<u>338,000.00</u>
Total Regular Fund		<u>12,833,569.35</u>	<u>13,550,190.99</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-22		310,262.79
Federal and State Grants Receivable	SA-23	664,514.89	766,693.38
		<u>664,514.89</u>	<u>1,076,956.17</u>
		<u>\$ 13,498,084.24</u>	<u>\$ 14,627,147.16</u>

(Continued)

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,SA-10	\$ 2,066,295.31	\$ 3,276,488.44
Reserve for Encumbrances	SA-20	200,432.08	206,518.87
Accounts Payable	SA-8	8,806.79	13,873.66
Special Emergency Note Payable			338,000.00
Prepaid Taxes	SA-11	1,114,475.07	586,847.81
Tax Overpayments	SA-12	135,648.56	337,697.80
Due to County for Added and Omitted Taxes	SA-16	28,663.84	14,747.32
Regional School Taxes Payable	SA-17	1.53	
Local School Taxes Payable	SA-18	4,902.00	14,903.38
Due to State of New Jersey:			
Marriage Licenses	SA-21	2,025.00	2,050.00
State Training Fees	SA-21	18,944.00	7,427.00
Reserve for Cost of Revaluation	SA-21	8,771.60	37,043.55
Due Camden County Municipal Utility Authority	SA-21	1,326,233.01	
Due Gloucester Township Municipal Utility Authority	SA-21	407,326.33	500.00
Due Federal and State Grant Fund	SA-22		310,262.79
Due General Capital Fund	SC-6	3,190.74	1,327,923.17
Due Trust Other Fund	SB-8	1,576,340.79	68,383.53
		<u>6,902,056.65</u>	<u>6,542,667.32</u>
Reserve for Receivables and Other Assets	A	1,365,263.19	1,311,432.27
Fund Balance	A-1	<u>4,566,249.51</u>	<u>5,696,091.40</u>
		<u>12,833,569.35</u>	<u>13,550,190.99</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-22	40,896.62	
Due to Trust Other Fund	B	10,000.00	10,000.00
Reserve for Encumbrances	SA-25	28,095.38	353,591.14
Appropriated Grant Reserves	SA-25	559,302.35	695,006.81
Unappropriated Reserves	SA-24	26,220.54	18,358.22
		<u>664,514.89</u>	<u>1,076,956.17</u>
		<u>\$ 13,498,084.24</u>	<u>\$ 14,627,147.16</u>

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

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

REVENUE AND OTHER INCOME REALIZED:	<u>2013</u>	<u>2012</u>
Fund Balance Utilized	\$ 5,200,000.00	\$ 3,800,000.00
Miscellaneous Revenue Anticipated	11,244,167.80	11,302,268.58
Receipts from Delinquent Taxes	456,817.22	163,300.22
Receipts from Current Taxes	145,883,275.91	144,872,285.53
Non-Budget Revenue	1,050,325.17	2,867,064.02
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	2,649,956.52	1,081,193.03
Cancellation of:		
Federal and State Grant Appropriated Reserves		140,438.44
Liquidation of Reserve for:		
Interfunds	25.07	4,077.17
	<u>166,484,567.69</u>	<u>164,230,626.99</u>
Total Income		
	<u>166,484,567.69</u>	<u>164,230,626.99</u>
 EXPENDITURES:		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	20,263,443.50	19,402,003.00
Other Expenses	19,103,678.00	18,482,542.00
Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"	4,845,864.00	4,957,248.00
Operations -- Excluded from "CAPS":		
Salaries and Wages	24,224.04	90,000.00
Other Expenses	563,835.68	840,577.34
Capital Improvements -- Excluded from "CAPS"	150,000.00	300,000.00
Municipal Debt Service -- Excluded from "CAPS"	7,132,391.04	6,762,200.19
Deferred Charges -- Excluded from "CAPS"	302,000.00	338,000.00
Transferred to Board of Education	510,000.00	510,000.00
County Taxes	35,390,635.03	34,869,708.92
Due County for Added and Omitted Taxes	28,663.84	14,747.32
Local School District Tax	43,603,342.00	43,274,460.50
Regional High School Tax	23,206,657.00	23,033,489.59
Special (Fire) District Taxes	6,075,575.00	6,032,661.00
Municipal Open Space Tax	896,864.97	904,839.30
Other Charges to Income:		
Refund of Prior Year Revenue	204,224.98	
Interfunds Created	49,322.03	
Other	30,207.28	
Miscellaneous Liens Receivable Created	25,327.08	10,825.86
Police Outside Services Receivable Created	1,583.95	6,883.23
Miscellaneous Added Tax Overpayments	6,570.16	1,583.55
	<u>162,414,409.58</u>	<u>159,831,769.80</u>
Total Expenditures		
	<u>162,414,409.58</u>	<u>159,831,769.80</u>
 Statutory Excess to Fund Balance	4,070,158.11	4,398,857.19
 FUND BALANCE:		
Balance January 1	5,696,091.40	5,097,234.21
	<u>9,766,249.51</u>	<u>9,496,091.40</u>
Decreased by:		
Utilized as Revenue	5,200,000.00	3,800,000.00
	<u>5,200,000.00</u>	<u>3,800,000.00</u>
 Balance December 31	<u>\$ 4,566,249.51</u>	<u>\$ 5,696,091.40</u>

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

Township of Gloucester
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A: 4-87</u>		
Surplus Anticipated	\$ 5,200,000.00		\$ 5,200,000.00	
Miscellaneous Revenues				
Alcoholic Beverages	55,000.00		59,640.00	\$ 4,640.00
Licenses Other	20,000.00		26,323.00	6,323.00
Fees and Permits	40,000.00		48,189.11	8,189.11
Fines and Costs - Municipal Court	2,000,000.00		1,768,844.72	(231,155.28)
Interest and Costs on Taxes	200,000.00		336,331.88	136,331.88
Interest on Investments and Deposits	82,054.00		74,983.40	(7,070.60)
Recreation Fees	200,000.00		225,350.76	25,350.76
Tax Sale Fees	150,000.00		189,628.11	39,628.11
Payment in Lieu of Senior Citizen Housing Complex	160,000.00		200,122.00	40,122.00
Municipal Pool Fees	70,000.00		89,675.00	19,675.00
Lease of Public Building	6,000.00		10,346.12	4,346.12
Tax Abatement in Lieu of Billing	900,000.00		927,809.93	27,809.93
Police Dept Fees	10,000.00		10,853.09	853.09
Cable TV Fees	200,000.00		211,013.84	11,013.84
Consolidated Municipal Property Tax Relief Aid	547,066.00		547,066.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	4,559,393.00		4,559,392.62	(0.38)
Uniform Construction Code Fees	410,000.00		510,615.00	100,615.00
GTHA Shared Service Agreement	10,000.00			(10,000.00)
Payment of Bond Principal - Due from Black Horse				
Pike Regional High School District	73,000.00		73,000.00	
Interest on Bonds - Due from Black Horse				
Pike Regional High School District	36,412.50		36,412.50	
Public and Private Revenues Offset				
Drunk Driving Enforcement	13,824.04		13,824.04	
Municipal Alliance on Alcohol and Drug Abuse	41,558.00		41,558.00	
Safe and Secure Communities Program	90,000.00		90,000.00	
Body Armor	10,482.49		10,482.49	
Click It or Ticket	4,000.00		4,000.00	
Over the Limit Under Arrest	4,400.00		4,400.00	
DVRPC	50,000.00		50,000.00	
Camden County Grant - Sobriety Check Point		\$ 2,000.00	2,000.00	
Alcohol Education & Rehab		2,585.96	2,585.96	
Clean Communities		109,720.23	109,720.23	
JLEO - Retrofit		5,000.00	5,000.00	
Emergency Management Grant		5,000.00	5,000.00	
General Capital Surplus	1,000,000.00		1,000,000.00	
Total Miscellaneous Revenues	10,943,190.03	124,306.19	11,244,167.80	176,671.58
Receipts from Delinquent Taxes	-		456,817.22	456,817.22
Amount to be Raised by Taxes for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes				
Including Reserve for Uncollected Taxes	37,346,064.00		37,359,813.07	13,749.07
Budget Totals	53,489,254.03	124,306.19	54,260,798.09	647,237.87
Non-Budget Revenue			1,050,325.17	1,050,325.17
	<u>\$ 53,489,254.03</u>	<u>\$ 124,306.19</u>	<u>\$ 55,311,123.26</u>	<u>\$ 1,697,563.04</u>

(Continued)

TOWNSHIP OF GLOUCESTER
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	\$	145,883,275.91
Allocated:		
School, County and Special District Taxes		109,201,737.84
Balance for Support of Municipal Budget Appropriations		36,681,538.07
Add: Appropriation "Reserve for Uncollected Taxes"		678,275.00
Amount for Support of Municipal Budget Appropriations	\$	37,359,813.07

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$	150,523.19
Tax Title Lien Collections		306,294.03
	\$	456,817.22

Analysis of Non-Budget Revenue

Miscellaneous Revenue not Anticipated:

Miscellaneous	\$	2,143.55
Fuel Reimbursement		226,374.20
Assignment Sale Fees		68.00
Insurance Refund		156,059.62
Tax Fees		6,900.00
Sale of Ordinance, Books & Maps		705.00
Waste Oil		2,147.50
Metal Recycling		95,916.99
Restitution		1,094.95
Vending Machine		1,628.72
Police O/S Employ - Admin Fee		44,529.95
Community Development Ad Fees		2,760.00
Photocopies		7,862.31
SREC		9,904.33
Twp Pool Snack Bar		10,161.50
FEMA		80,209.62
Cancel Prior Year Checks		244,440.33
S/C & Vet Admin Fee		13,051.27
Cell Phone Tower		109,433.00
Motor Vehicle Fines		20,915.80
NSF Fee		988.53
Gazebo Rentals		13,030.00
Total Non-Budget Revenues	\$	1,050,325.17

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

TOWNSHIP OF GLOUCESTER

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	
OPERATIONS -- WITHIN "CAPS"					
<u>GENERAL GOVERNMENT</u>					
<u>Administrative and Executive:</u>					
Office of Township Administrator:					
Salaries and Wages	\$ 148,891.00	\$ 123,891.00	\$ 122,393.03		\$ 1,497.97
Other Expenses	1,325.00	1,325.00	1,233.63		91.37
Office of Administrative Support Services:					
Salaries and Wages	108,716.00	88,716.00	85,007.80		3,708.20
Other Expenses	23,340.00	43,340.00	41,720.08	\$ 115.00	1,504.92
Office of Grants Administration:					
Other Expenses	300.00	300.00	248.32		51.68
Office of Human Resources:					
Salaries and Wages	150,309.00	100,309.00	91,420.00		8,889.00
Other Expenses	53,500.00	53,500.00	43,079.44		10,420.56
Office of the Mayor:					
Salaries and Wages	103,488.00	106,688.00	104,483.77		2,204.23
Other Expenses	4,140.00	4,140.00	2,639.74		1,500.26
Office of the Twp. Council:					
Salaries and Wages	55,935.00	55,935.00	54,615.50		1,319.50
Other Expenses	4,425.00	5,425.00	4,448.60		976.40
Office of Public Information:					
Other Expenses	38,000.00	73,000.00	72,415.50		584.50
Office of the Twp. Clerk:					
Salaries and Wages	146,276.00	150,776.00	149,829.71		946.29
Other Expenses:	41,325.00	41,325.00	35,583.53		5,741.47
Office of the Treasury:					
Salaries and Wages	159,817.00	159,817.00	153,664.74		6,152.26
Other Expenses	19,350.00	24,350.00	22,014.54	146.73	2,188.73
Audit Services:					
Other Expenses	60,000.00	60,000.00	60,000.00		
Office of Data Processing:					
Salaries and Wages	77,328.00	37,328.00	32,179.45		5,148.55
Other Expenses	137,325.00	137,325.00	104,527.96		32,797.04
Office of the Tax Collector:					
Salaries and Wages	253,463.00	253,463.00	236,334.66		17,128.34
Other Expenses	92,850.00	92,850.00	27,723.37	57.74	65,068.89
Office of Tax Assessment:					
Salaries and Wages	168,362.00	168,362.00	157,791.87		10,570.13
Other Expenses	15,550.00	27,550.00	27,483.67		66.33
Office of the Twp. Attorney:					
Salaries and Wages	108,647.00	110,147.00	110,047.99		99.01
Other Expenses	30,500.00	80,500.00	71,180.93	862.96	8,456.11

(Continued)

TOWNSHIP OF GLOUCESTER

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>			Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
GENERAL GOVERNMENT (CONT'D)						
<u>Administrative and Executive (Cont'd):</u>						
Office of the Twp. Engineer:						
Other Expenses	\$ 25,000.00	\$ 35,000.00	\$ 9,757.86		\$ 25,242.14	
Rent Stabilization Board:						
Other Expenses	175.00	175.00			175.00	
Office of Community Development:						
Salaries and Wages	167,518.00	197,518.00	195,626.63		1,891.37	
Other Expenses	16,700.00	16,700.00	4,564.59	\$ 4.31	12,131.10	
<u>Land Use Administration:</u>						
Planning Board:						
Salaries and Wages	8,098.00	8,099.00	7,682.02	416.67	0.31	
Other Expenses	55,100.00	15,100.00	1,698.92	108.99	13,292.09	
Zoning Board of Adjustments:						
Salaries and Wages	8,098.00	13,298.00	11,965.78	400.00	932.22	
Other Expenses	58,350.00	18,350.00	1,391.55	166.98	16,791.47	
Office of Zoning:						
Salaries and Wages	43,161.00	39,260.00	27,304.16		11,955.84	
<u>Insurance:</u>						
Liability Insurance	554,500.00	571,500.00	570,413.14		1,086.86	
Workman's Compensation	378,286.00	498,286.00	494,573.14		3,712.86	
Health Benefit Waiver	150,000.00	190,000.00	186,887.64		3,112.36	
Employee Group Insurance	7,224,064.00	7,344,064.00	7,340,532.12		3,531.88	
Unemployment Insurance	60,000.00	60,000.00			60,000.00	
<u>Public Safety:</u>						
Police Department:						
Salaries and Wages	12,252,952.50	12,291,452.50	12,136,265.09		155,187.41	
Other Expenses	705,178.00	750,178.00	669,607.48	36,182.24	44,388.28	
Police Communications:						
Salaries and Wages	696,971.00	696,971.00	671,184.71		25,786.29	
Other Expenses	125,807.00	125,807.00	84,177.16	6,047.88	35,581.96	
Office of Emergency Management:						
Salaries and Wages	30,525.00	30,525.00	23,340.86		7,184.14	
Other Expenses	16,000.00	16,000.00	10,549.45	3,140.00	2,310.55	
Office of the Prosecutor:						
Salaries and Wages	43,885.00	43,885.00	43,884.88		0.12	

(Continued)

TOWNSHIP OF GLOUCESTER
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>			Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
<u>GENERAL GOVERNMENT (CONT'D)</u>						
<u>Public Works:</u>						
Office of the Director:						
Salaries and Wages	\$ 164,095.00	\$ 165,595.00	\$ 165,140.43	\$	454.57	
Other Expenses	80,500.00	80,500.00	69,987.40	1,865.52	8,647.08	
Street and Road Maintenance:						
Salaries and Wages	1,355,043.00	1,625,043.00	1,623,478.30	860.00	704.70	
Other Expenses	733,650.00	549,950.00	201,741.94	2,613.99	345,594.07	
Sanitation:						
Contractual	3,561,843.00	3,291,843.00	2,991,640.12		300,202.88	
Public Buildings and Grounds:						
Salaries and Wages	536,431.00	611,431.00	589,275.65		22,155.35	
Other Expenses	111,000.00	141,000.00	117,587.08	22,325.92	1,087.00	
Other Public Works Functions:						
Other Expenses	570,000.00	590,000.00	589,323.60		676.40	
Vehicle Maintenance:						
Salaries and Wages	352,018.00	354,518.00	354,352.59		165.41	
Other Expenses	249,500.00	149,500.00	78,564.58	30,254.06	40,681.36	
<u>Health and Human Services:</u>						
Office of Community Services and Information:						
Salaries and Wages	50,495.00	50,495.00	44,483.45		6,011.55	
Other Expenses	775.00	775.00	751.18		23.82	
Board of Health:						
Salaries and Wages	5,495.00	5,495.00	5,480.46		14.54	
Other Expenses	1,750.00	1,750.00	939.21		810.79	
<u>Animal Control:</u>						
Animal Control Services						
Other Expenses	40,000.00	40,000.00	40,000.00			
<u>Parks and Recreation:</u>						
Office of the Director:						
Salaries and Wages	447,928.00	467,928.00	432,074.56		35,853.44	
Other Expenses	45,960.00	45,960.00	43,649.89		2,310.11	
Office of Community Activities:						
Other Expenses	20,800.00	20,800.00	17,279.16		3,520.84	
Municipal Pool:						
Salaries and Wages	65,000.00	65,000.00	64,353.41		646.59	
Other Expenses	17,750.00	19,250.00	18,756.28		493.72	
Maintenance of Parks and Playgrounds:						
Salaries and Wages	1,143,155.00	1,146,155.00	1,119,372.39		26,782.61	
Other Expenses	94,100.00	94,100.00	87,157.25	1,889.88	5,052.87	
<u>Other Common Operating Functions:</u>						
Office of Senior Citizens						
Salaries and Wages	52,592.00	52,592.00	30,181.56		22,410.44	
Other Expenses	4,150.00	4,150.00	4,096.49		53.51	

(Continued)

TOWNSHIP OF GLOUCESTER
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
GENERAL GOVERNMENT (CONT'D)						
<u>Utility and Bulk Purchases:</u>						
Electric	\$ 288,000.00	\$ 368,000.00	\$ 183,142.23		\$ 184,857.77	
Street Lighting	818,000.00	738,000.00	732,581.03	\$ 610.00	4,808.97	
Telephone	195,750.00	195,750.00	145,377.07	8,950.50	41,422.43	
Water	105,700.00	105,700.00	66,073.49		39,626.51	
Natural Gas	73,300.00	73,300.00	69,199.12	919.29	3,181.59	
Sewerage	10,000.00	10,200.00	10,177.31		22.69	
Gasoline	750,000.00	750,000.00	620,524.46	79,516.60	49,958.94	
<u>Landfill Disposal Costs:</u>						
Other Expenses	1,647,000.00	1,447,000.00	1,276,541.83		170,458.17	
<u>Municipal Court:</u>						
Salaries and Wages	467,210.00	487,210.00	486,053.73		1,156.27	
Other Expenses	57,560.00	57,560.00	42,813.01	2,976.82	11,770.17	
<u>Construction Code Enforcement:</u>						
Salaries and Wages	408,501.00	343,501.00	341,777.79		1,723.21	
Other Expenses	32,500.00	42,500.00	41,445.44		1,054.56	
<u>Unclassified:</u>						
Absence Leave-Retires	162,040.00	162,040.00	85,342.42		76,697.58	
Compensated Absences Leave	50,000.00	50,000.00	44,357.60		5,642.40	
Total Operations Including Contingent-Within "CAPS"	39,393,121.50	39,367,121.50	37,138,548.52	200,432.08	2,028,140.90	-
<u>Detail:</u>						
Salaries and Wages	19,992,443.50	20,263,443.50	19,800,746.99	1,676.67	461,019.84	-
Other Expenses	19,400,678.00	19,103,678.00	17,337,801.53	198,755.41	1,567,121.06	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES -- WITHIN "CAPS"						
<u>Statutory Expenditures:</u>						
<u>Contribution to:</u>						
Public Employees' Retirement System	733,892.00	733,892.00	716,600.70		17,291.30	
Social Security System (O.A.S.I)	1,565,000.00	1,591,000.00	1,590,007.65		992.35	
Police and Firemen's Retirement System	2,520,972.00	2,520,972.00	2,520,972.00		-	
Total Deferred Charges and Statutory Expenditures -- Within "CAPS"	4,819,864.00	4,845,864.00	4,827,580.35	-	18,283.65	-

(Continued)

TOWNSHIP OF GLOUCESTER
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- EXCLUDED FROM "CAPS"						
<u>General Appropriations:</u>						
Stormwater Management Permits	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00			
Employee Group Insurance	126,951.00	126,951.00	126,951.00			
Sanitation - Recycling Tax	85,000.00	85,000.00	66,206.18		\$ 18,793.82	
Total General Appropriations - Excluded from "CAPS"	220,951.00	220,951.00	202,157.18	-	18,793.82	-
<u>Shared Services:</u>						
GT Housing Authority	7,000.00	7,000.00	5,923.06		1,076.94	
<u>Public and Private Programs Offset by Revenues:</u>						
Supplemental Fire Services Program	21,538.00	21,538.00	21,538.00			
Drunk Driver Enforcement	13,824.04	13,824.04	13,824.04			
Alcohol Education, Rehabilitation and Enforcement Fund (N.J.S.A. 40A:4-87 \$2,585.96)		2,585.96	2,585.96			
CC DWI Enforce Sobriety Check Point (N.J.S.A. 40A:4-87 \$2,000)		2,000.00	2,000.00			
Clean Communities (N.J.S.A. 40A:4-87 \$109,720.23)		109,720.23	109,720.23			
Municipal Alliance	41,558.00	41,558.00	41,558.00			
Occupant Prot-Click it or Ticket	4,000.00	4,000.00	4,000.00			
Safe & Secure Comm Project Police	90,000.00	90,000.00	90,000.00			
NJ Body Armor Replace Program	10,482.49	10,482.49	10,482.49			
Delaware Valley Regional Planning Commission	50,000.00	50,000.00	50,000.00			
Emergency Management Grant (N.J.S.A. 40A:4-87 \$5,000)		5,000.00	5,000.00			
Joint Law Enforcement Operations (N.J.S.A. 40A:4-87 \$5,000)		5,000.00	5,000.00			
NJ DWI - Over The Limit Under Arrest	4,400.00	4,400.00	4,400.00			
Total Public and Private Programs Offset by Revenues	235,802.53	360,108.72	360,108.72	-	-	-
Total Operations - Excluded from "CAPS"	463,753.53	588,059.72	568,188.96	-	19,870.76	-
<u>Detail:</u>						
Salaries and Wages	22,224.04	24,224.04	24,224.04			
Other Expenses	441,529.49	563,835.68	543,964.92		19,870.76	
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fund	150,000.00	150,000.00	150,000.00			

(Continued)

TOWNSHIP OF GLOUCESTER

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>A p p r o p r i a t i o n s</u>		<u>P a i d o r C h a r g e d</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- EXCLUDED FROM "CAPS"						
<u>Municipal Debt Service - Excluded from "CAPS":</u>						
Payment of Bond Principal	\$ 5,590,000.00	\$ 5,590,000.00	\$ 5,590,000.00			\$ 14,346.30
Interest on Bonds	1,165,000.00	1,165,000.00	1,150,653.70			222.92
Interest on Notes	140,000.00	140,000.00	139,777.08			
NJEIT Loan Program						
Principal	100,800.00	100,800.00	77,417.77			23,382.23
Interest	17,625.00	17,625.00	15,774.01			1,850.99
Green Trust Loan Program:						
Principal	126,500.00	126,500.00	126,454.26			45.74
Interest	32,315.00	32,315.00	32,314.22			0.78
Total Municipal Debt Service - Excluded from "CAPS"	7,172,240.00	7,172,240.00	7,132,391.04	-	-	39,848.96
<u>DEFERRED EXCLUDED FROM "CAPS":</u>						
Special Emergency Authorizations	302,000.00	302,000.00	302,000.00			
Transferred to Board of Education for use of Local Schools (NJSA 40:48-17.1 & 17.3)	510,000.00	510,000.00	510,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	8,597,993.53	8,722,299.72	8,662,580.00		\$ 19,870.76	39,848.96
Subtotal General Appropriations	52,810,979.03	52,935,285.22	50,628,708.87	\$ 200,432.08	2,066,295.31	39,848.96
Reserve for Uncollected Taxes	678,275.00	678,275.00	678,275.00			
Total General Appropriations	\$ 53,489,254.03	\$ 53,613,560.22	\$ 51,306,983.87	\$ 200,432.08	\$ 2,066,295.31	\$ 39,848.96
Original Budget	\$ 53,489,254.03					
Appropriation by NJS 40A:4-87	124,306.19					
		<u>\$ 53,613,560.22</u>				
Reserve for Federal and State Grants Appropriated		\$ 338,570.72				
Deferred Charges - Special Emergency Authorizations		302,000.00				
Reserve for Uncollected Taxes		678,275.00				
Disbursements		51,946,485.29				
Refunds of Appropriations		(1,958,347.14)				
		<u>\$ 51,306,983.87</u>				

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

TOWNSHIP OF GLOUCESTER
TRUST FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

ASSETS:	Ref.	2013	2012
Animal Control Fund:			
Cash	SB-2	\$ 6,291.29	\$ 568.61
Other Funds:			
Cash	SB-1	3,143,030.00	3,499,360.59
Change Fund	B	100.00	100.00
		<u>3,143,130.00</u>	<u>3,499,460.59</u>
Accounts Receivable:			
Due from Current Fund	SB-8	1,576,340.79	133,812.30
Due from Federal and State Grant Fund	A	10,000.00	10,000.00
Due from General Capital Fund	SB-11	81,777.77	
Due from School Bus GPS System	SB-6	26,425.94	23,333.81
Due from Gloucester Township MUA	B	12,064.30	12,064.30
Due from Municipal Open Space Trust Fund	SB-7		87,543.97
Rehabilitation Mortgages Receivable	B	905,471.46	905,471.46
Metro Cities Receivable	SB-9	484,112.74	290,490.74
Camden County Home Consortium Program Receivable	B	90,938.00	90,938.00
		<u>3,187,131.00</u>	<u>1,553,654.58</u>
Total Other Funds		<u>6,330,261.00</u>	<u>5,053,115.17</u>
Municipal Open Space Trust Fund:			
Cash	SB-1	69,246.79	259,433.98
Total		<u>\$ 6,405,799.08</u>	<u>\$ 5,313,117.76</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Animal Control Fund:			
Due Current Fund	SB-2	\$ 3.12	\$ 28.19
Due State of New Jersey	SB-3	16.80	18.00
Reserve for Animal Control Fund Expenditures	SB-4	6,271.37	522.42
		<u>6,291.29</u>	<u>568.61</u>
Other Funds:			
Reserve for:			
Contracts Payable	SB-10		4,383.70
K-9 Schultz	SB-10		2,055.85
Seasonal Cleanup Escrows	SB-10	1,031.00	1,031.00
Accumulated Absences	SB-10	54,817.61	54,817.61
Engineering Escrows	SB-10	458,854.23	532,724.43
Cash Performance Guarantees	SB-10	398,926.73	410,174.40
Grading Escrows	SB-10	120,904.45	16,204.67
Developers Interest on Escrows	SB-10	2,272.86	2,272.86
Recycling Funds	SB-10	137,729.89	185,938.79
Miscellaneous Grant Escrows	SB-10	11,091.28	11,091.28
Public Defender	SB-10	41,599.96	45,184.69
POAA	SB-10	2,874.00	392.00
Municipal Alliance Funds	SB-10	26,618.57	33,757.62
Housing and Community Development Act:			
2011/12 Metro Cities Grant	SB-10		72,836.48
2012/13 Metro Cities Grant	SB-10	159,515.56	264,078.00
2013/14 Metro Cities Grant	SB-10	263,822.00	
CC Home Consortium Program FY11	SB-10		3,880.00
CC Home Consortium Program FY12	SB-10	29,010.00	40,000.00

(Continued)

TOWNSHIP OF GLOUCESTER
TRUST FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

LIABILITIES, RESERVES AND FUND BALANCE (CONT'D):	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Other Funds (cont'd):			
Reserve for (cont'd):			
Sidewalk Improvements	SB-10	\$ 1,973.17	\$ 9,773.17
Neighborhood Preservation Program	SB-10	12,900.30	12,900.30
Disposal of Forfeited Property	SB-10	90,424.38	84,566.61
Redemption of Privately Held Liens	SB-10	653,568.00	345,842.63
Tax Sale Premium	SB-10	1,927,300.00	1,036,900.00
Workman's Compensation	SB-10	13,509.87	14,087.96
Workman's Compensation - Salaries and Wages	SB-10	4,835.91	14,649.81
Workman's Compensation - MUA	SB-10	6,282.92	6,282.92
Disability Claims	SB-10	47,304.47	55,854.65
Unemployment Compensation Insurance	SB-10	15,628.50	7,012.93
Special Recreation Trust	SB-10	110,158.70	66,587.00
Affordable Housing Trust	SB-10	82,149.59	17,582.93
Rehabilitation Mortgages Receivable	SB-10	905,471.46	905,471.46
Encroachment Escrows	SB-10	16,677.89	16,257.89
Multiple Dwelling Escrows	SB-10	38,425.61	38,425.61
Sloan's Legacy	SB-10	2,951.27	2,939.87
Revolving Loan Fund	SB-10	229,123.55	224,124.55
Payroll Fund	SB-10	424,653.11	495,834.82
Flexible Spending	SB-10	37,854.16	17,196.68
		<u>6,330,261.00</u>	<u>5,053,115.17</u>
Municipal Open Space Trust Fund:			
Due to Current Fund	SB-5	8,425.51	65,428.77
Due to Trust Other	SB-7		87,543.97
Reserve for Future Use	SB-7	60,821.28	106,461.24
		<u>69,246.79</u>	<u>259,433.98</u>
		<u>\$ 6,405,799.08</u>	<u>\$ 5,313,117.76</u>

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

TOWNSHIP OF GLOUCESTER
MUNICIPAL OPEN SPACE TRUST FUND
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 896,864.97	\$ 906,318.00
Miscellaneous	36,912.61	
	933,777.58	906,318.00
Total Income	933,777.58	906,318.00
EXPENDITURES:		
Budget Appropriations:		
Maintenance of Lands for Recreation and Conservation	641,133.00	1,418,835.21
Debt Service	255,000.00	400,000.00
Paid Directly from Reserve Funds:		
Other Open Space Acquisition Expenditures	83,284.54	
	979,417.54	1,818,835.21
Total Expenditures	979,417.54	1,818,835.21
Excess (Deficit) to Reserve	(45,639.96)	(912,517.21)
RESERVE FOR FUTURE USE:		
Balance January 1,	106,461.24	1,018,978.45
Balance December 31,	\$ 60,821.28	\$ 106,461.24

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

TOWNSHIP OF GLOUCESTER
MUNICIPAL OPEN SPACE TRUST FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 896,133.00	\$ 896,864.97	\$ 731.97
Miscellaneous		36,912.61	36,912.61
	<u>\$ 896,133.00</u>	<u>\$ 933,777.58</u>	<u>\$ 37,644.58</u>
 <u>Analysis of Realized Revenues</u>			
Receipts:			
Miscellaneous Revenues	\$ 35,750.85		
Interest Earnings on Deposits	<u>1,161.76</u>		
		\$ 36,912.61	
Open Space Tax Levy	896,133.00		
Added and Omitted Taxes	<u>731.97</u>		
		<u>896,864.97</u>	
		<u>\$ 933,777.58</u>	

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

TOWNSHIP OF GLOUCESTER
MUNICIPAL OPEN SPACE TRUST FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2013

	<u>Original</u>	<u>Budget</u>	<u>Appropriations</u>	<u>Budget After</u>	<u>Modification</u>	<u>Paid or</u>	<u>Charged</u>	<u>Unexpended</u>
								<u>Balance</u>
								<u>Cancelled</u>
Maintenance of Lands for Recreation and Conservation:								
Other Expenses	\$	896,133.00	\$	641,133.00	\$	641,133.00	\$	-
Debt Service:								
Payment of Bond Anticipation Note				255,000.00		255,000.00		
	<u>\$</u>	<u>896,133.00</u>	<u>\$</u>	<u>896,133.00</u>	<u>\$</u>	<u>896,133.00</u>	<u>\$</u>	<u>-</u>

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

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

ASSETS:	Ref.	2013	2012
Cash	SC-1, SC-2	\$ 4,041,462.96	\$ 4,225,914.22
Deferred Charges to Future Taxation:			
Funded	SC-3	35,307,247.49	41,557,367.52
Unfunded	SC-4	19,251,539.00	19,506,539.00
Due from New Jersey Environmental Trust Fund	SC-13		2,017,186.00
Due from Current Fund	SC-6	3,190.74	1,327,923.17
		<u>3,190.74</u>	<u>1,327,923.17</u>
Total Assets		<u>\$ 58,603,440.19</u>	<u>\$ 68,634,929.91</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Improvement Authorizations:			
Funded	SC-5	\$ 92,953.21	\$ 1,755,303.83
Unfunded	SC-5	6,248,856.19	12,122,567.01
Reserve for Encumbrances	SC-11	615,556.31	2,869,148.27
Capital Improvement Fund	SC-7	194,052.69	44,052.69
Due to Trust Other Fund - Police Forfeiture	SC-1	2,590.93	
Due to Trust Other Fund - CDBG	SC-5	79,186.84	
Reserve for Payment of Debt	SC-1	60,672.79	40,360.79
Bond Anticipation Notes Payable	SC-12	14,987,579.00	9,105,000.00
General Serial Bonds	SC-8	32,303,000.00	37,893,000.00
Green Acres Loan Payable	SC-9	1,520,727.26	1,647,181.52
New Jersey Environmental Infrastructure Loan Payable	SC-10	1,483,520.23	2,017,186.00
Fund Balance	C-1	1,014,744.74	1,141,129.80
		<u>1,014,744.74</u>	<u>1,141,129.80</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 58,603,440.19</u>	<u>\$ 68,634,929.91</u>

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

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 1,141,129.80
Increased by:		
Funded Improvement Authorizations Cancelled	\$ 797,777.79	
Premium on Sale of Notes - Due from Current Fund	<u>75,837.15</u>	
		<u>873,614.94</u>
		2,014,744.74
Decreased by:		
Anticipated Revenue in Current Fund		<u>1,000,000.00</u>
Balance December 31, 2013		<u><u>\$ 1,014,744.74</u></u>

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

TOWNSHIP OF GLOUCESTER
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts
For Year Ending December 31, 2013

	Balance (Restated) <u>Dec. 31, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2013</u>
General Fixed Assets:				
Land	\$ 6,366,275.00	\$ 670,998.45		\$ 7,037,273.45
Land Improvements	6,668,424.81			6,668,424.81
Buildings and Improvements	6,664,566.40	32,700.00		6,697,266.40
Machinery and Equipment	8,261,434.73	835,480.19		9,096,914.92
Vehicles	<u>7,053,721.48</u>	<u>1,926,938.34</u>		<u>8,980,659.82</u>
	<u>\$ 35,014,422.42</u>	<u>\$ 3,466,116.98</u>	<u>\$ -</u>	<u>\$ 38,480,539.40</u>
Investment in General Fixed Assets	<u>\$ 35,014,422.42</u>	<u>\$ 3,466,116.98</u>	<u>\$ -</u>	<u>\$ 38,480,539.40</u>

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

GLOUCESTER TOWNSHIP
Notes to Financial Statements
For the Year Ended December 31, 2013

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

Description of Financial Reporting Entity - Gloucester Township was incorporated in 1695 and is located in southwest New Jersey approximately fifteen miles southwest of the City of Philadelphia. The population according to the 2010 census is 64,700.

The Township is governed by a Mayor and seven-member Township Council form of government. The Mayor is elected for a four-year term and serves as the full-time Chief Executive Officer of the Township. Members of the Township Council are elected to four-year terms on a staggered basis and function as the legislative body of the Township. The Township Administrator and the Township Clerk are appointed by the Mayor and monitor the daily administrative and financial responsibilities, including but not limited to, staffing and personnel issues and budget preparation and implementation.

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

Gloucester Township Municipal Utilities Authority
71 Landing Road, P.O. Box 216
Blackwood, New Jersey 08012

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

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

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

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

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

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

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

Budgets and Budgetary Accounting - Gloucester Township must adopt an annual budget for its current 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 Gloucester Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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

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 \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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

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

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

Fund Balance - Fund Balance included in the current fund represents amounts available for anticipation as revenue in future years budgets, with certain restrictions.

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

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 Camden, Gloucester Township School District, Black Horse Pike Regional High School District, Gloucester Township Fire District No. 1, Gloucester Township Fire District No. 2, Gloucester Township Fire District No. 3, Gloucester Township Fire District No. 4, Gloucester Township Fire District No. 5, and Gloucester Township Fire District No. 6. 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 Gloucester Township School District and the Black Horse Pike Regional High School District. Operations are charged for the full amount required to be raised from taxation to operate both school districts for the period from January 1 to December 31.

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

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for the Township's six Fire Districts. Operations are charged for the full amount required to be raised by taxation to support the districts for the year.

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

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

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2013, the Township's bank balances of \$25,591,760.20 were exposed to custodial credit risk as follows:

F.D.I.C Insured	\$ 294,285.99
Collateralized Under GUDPA	23,576,320.95
Uninsured Uncollateralized	<u>1,721,153.26</u>
	<u>\$ 25,591,760.20</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 as defined above. At December 31, 2013 the Township's deposits with the New Jersey Cash Management Fund are \$311,824.49.

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010 *</u>	<u>2009</u>
Tax Rate	\$ 3.912	\$ 3.846	\$ 3.766	\$ 3.698	\$ 6.536
Apportionment of Tax Rate:					
Municipal	\$ 0.833	\$ 0.825	\$ 0.824	\$ 0.867	\$ 1.428
County	0.791	0.772	0.731	0.682	1.239
Local School	0.974	0.956	0.947	0.922	1.667
Regional High School	0.517	0.509	0.511	0.499	0.888
Fire Districts	0.777	0.764	0.734	0.708	1.294
Municipal Open Space	0.020	0.020	0.019	0.020	0.020

* Reassessment Year

Assessed Valuation

2013	\$ 4,480,663,900.00
2012	4,524,196,500.00
2011	4,531,567,460.00
2010	* 4,535,602,750.00
2009	2,452,313,140.00

Comparison of Tax Levies and Collections

	<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
	12/31/13	\$ 146,698,569.85	\$ 145,883,275.91	99.44%
	12/31/12	145,548,762.00	144,872,286.00	99.54%
	12/31/11	143,593,492.00	143,113,576.00	99.67%
(1)	12/31/10	71,035,074.00	69,437,008.00	97.75%
	06/30/10	136,906,690.00	136,524,059.00	99.72%

Delinquent Taxes and Tax Title Liens

	<u>Year Ended</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
	12/31/13	\$ 753,373.16	\$ 302,359.44	\$ 1,055,732.60	0.72%
	12/31/12	653,644.00	386,604.00	1,040,248.00	0.71%
	12/31/11	434,019.00	403,039.00	837,058.00	0.58%
(1)	12/31/10	205,968.00	1,558,008.00	1,763,976.00	2.48%
	06/30/10	157,687.00	174,690.00	332,377.00	0.24%

(1) The Township reverted from a fiscal year ending June 30 to a calendar year ending December 31. The period ending December 31, 2010 was a six month reversion period.

Note 4: **PROPERTY TAXES (CONT'D)**

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

	<u>Year Ended</u>	<u>Number</u>
	12/31/13	241
	12/31/12	242
	12/31/11	177
(1)	12/31/10	69
	06/30/10	69

Note 5: **FUND BALANCES APPROPRIATED**

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

	<u>Year Ended</u>	<u>Balance</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
	12/31/13	\$ 4,566,249.51	\$ 4,150,000.00	90.88%
	12/31/12	5,696,091.00	5,200,000.00	91.29%
	12/31/11	5,097,234.00	3,800,000.00	74.55%
(1)	12/31/10	2,886,624.00	2,080,558.00	72.08%
	06/30/10	244,668.00	191,196.00	78.15%

(1) The Township reverted from a fiscal year ending June 30 to a calendar year ending December 31. The period ending December 31, 2010 was a six month reversion period.

Note 6: **INTERFUND RECEIVABLES AND PAYABLES**

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 49,325.25	\$ 1,579,531.53
Federal and State Grant Fund		50,896.62
Animal Control Fund		3.12
Trust Other Fund	1,668,118.56	
Municipal Open Space Trust Fund		8,425.51
General Capital Fund	3,190.74	81,777.77
	<u>\$ 1,720,634.55</u>	<u>\$ 1,720,634.55</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2014, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: **PENSION PLANS**

The Township of Gloucester contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, Township employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

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

The Township is billed annually for its normal contribution plus any accrued liability. These contributions are detailed below.

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

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

Note 7: **PENSION PLANS (CONT'D)**

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

	2013		2012		2011	
	PERS	PFRS	PERS	PFRS	PERS	PFRS
Normal Contribution	\$ 182,496	\$ 984,073	\$ 222,350	\$1,068,538	\$ 238,991	\$1,277,633
Accrued Liability	436,354	1,302,287	444,701	1,202,556	380,816	1,024,455
Total Regular Pension Contributions	618,850	2,286,360	667,051	2,271,094	619,807	2,302,088
Non-Contributory Group Life Insurance	36,832	94,424	42,499	83,187	47,074	100,134
Chapter 19. PL 2009 Accrued Liability	33,438	140,188	33,009	139,173		
ERI 1 Accrued Liability	22,572					
Total Due	711,692	2,520,972	742,559	2,493,454	666,881	2,402,222

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

The amount will be repaid starting in April of 2012 over a 15 year period. The amount will fluctuate based on pension system investment earnings on the deferred amount.

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

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

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

The Township's contributions were as follows:

<u>Year Ended</u>	<u>Total Liability</u>	<u>Employee Contribution</u>	<u>Paid by Township</u>
2013	\$ 10,790.48	\$ 6,982.08	\$ 3,808.40
2012	25.00	15.00	10.00
2011	-	-	-

Note 7: **PENSION PLANS (CONT'D)**

Early Retirement Incentive Program – Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These programs, which were subject to the approval of the Township's governing body, were available to employees who met certain minimum requirements. The governing body of the Township approved the program in 1991 for eligible members of the PERS. Since no accrual has been made for the additional costs related to this Program, the Township will fund such costs in an annual budget appropriation on a pay-as-you-go basis. The required annual installment of the accrued liability, as calculated by the Division of Pensions and Benefits, for the 1991 Program in 2012 was \$22,572. The last installment is due on April 1, 2022.

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

Note 8: **OTHER POST EMPLOYMENT BENEFITS**

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

Plan Description

The Township provides certain medical and prescription drug benefits for retired employees, where such benefits are established and amended by various union contracts, separate employee agreements and Township policies.

The Township provides for 100% payment of retired employees health, dental and prescription coverage until the retiree is eligible for Medicare benefits at age 65. The Township also pays the entire Medicare Part B premium for retirees who purchase Medicare Part B and their beneficiaries. The retired employee has a choice of benefit plans based on union contracts. The plans are administered by the Township; therefore, premium payments are made directly by the Township to the insurance carriers. The Plan does not issue a separate financial report.

Funding Policy

Employees become eligible for retirement benefits based on having twenty-five years of service in either the State of New Jersey Public Employees Retirement System or the Police Firemen's Retirement System. The Township contributes 100% of the cost of the benefits for employees with 25 or more years of service; however, retirees with less than 25 years of service have to pay 100% of the self-insured premium to continue coverage.

Annual OPEB Cost and Net OPEB Obligation

The Township's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Township's net OPEB obligation to the Plan:

Note 8: **OTHER POST EMPLOYMENT BENEFITS (CONT'D)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual Required Contribution (ARC)	\$ 8,586,455.00	\$ 8,330,529.00	\$ 7,421,061.00
Interest on the Net OPEB Obligation	562,927.00	403,573.00	203,088.00
Adjustment to the ARC	<u>(828,673.00)</u>	<u>(582,202.00)</u>	<u>(287,448.00)</u>
Annual OPEB Cost	8,320,709.00	8,151,900.00	7,336,701.00
Pay as You Go Cost (Existing Retirees)	<u>(3,781,388.00)</u>	<u>(4,168,052.00)</u>	<u>(2,324,592.00)</u>
Increase in the Net OPEB Obligation	4,539,321.00	3,983,848.00	5,012,109.00
Net OPEB Obligation, January 1	<u>14,073,163.00</u>	<u>10,089,315.00</u>	<u>5,077,206.00</u>
Net OPEB Obligation, December 31	<u>\$18,612,484.00</u>	<u>\$14,073,163.00</u>	<u>\$10,089,315.00</u>
Percentage of ARC Contributed	44.04%	50.03%	31.32%

Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the Township's Plan was 0% funded. The actuarial accrued liability for benefits was \$114,036,259, and the actuarial value of plan assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$114,036,259. The covered payroll (annual payroll of active employees covered by the plan) was \$19,155,930, and the ratio of the UAAL to the covered payroll was 595.31%. Actuarial valuations of any ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented later in this footnote, as required supplementary information, compares the assets used for funding purposes to the comparable liabilities to determine how well the Township Plan is funded. The actuarial liability is compared to the actuarial value of assets to determine the funding ratio. The Actuarial Accrued Liability under GASB is determined assuming that the Township Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2012 actuarial valuation, the Projected Unit Credit Funding Method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate identified in the below table. The actuarial value of the Township Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a four year period. The Township Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an closed basis. The remaining amortization period at December 31, 2012 was twenty-eight years on a straight line basis.

Note 8: **OTHER POST EMPLOYMENT BENEFITS (CONT'D)****Healthcare Trend Rate**

<u>Year</u>	<u>Medical Trend</u>	<u>Year</u>	<u>Medical Trend</u>
2012	(9.3%)	2025	5.8%
2013	(1.5%)	2030	5.8%
2014	1.0%	2040	5.2%
2015	3.5%	2050	5.0%
2016	6.0%	2060	4.8%
2017	5.9%	2070	4.4%
2020	5.9%	2080+	4.4%

REQUIRED SUPPLEMENTARY INFORMATION

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/12	\$ -	\$ 114,036,259.00	\$ 114,036,259.00	0.00%	\$ 19,155,930.00	595.31%
12/31/11	-	96,714,508.00	96,714,508.00	0.00%	19,248,457.00	502.45%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	December 31, 2012
Actuarial Cost Method	Projected Unit Credit Actuarial Cost Method
Amortization Method	Closed/Level
Remaining Amortization	28 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	4.0%
Rate of Medical Inflation/Healthcare Trend Rate	See Above Table

For determining the GASB ARC, the rate of employer contributions to the Plan is composed of the Normal Cost plus amortization of the Unfunded Actuarial Liability. The Normal Cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The Actuarial Liability is that portion of the Present Value of Projected Benefits that will not be paid by Future Employer Normal Costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the Unfunded Actuarial Liability.

Note 9: **COMPENSATED ABSENCES**

Full-time Township employees are granted vacation and sick leave in varying amounts in accordance with the Township's personnel policies and collective bargaining agreements. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year. Employees who retire from the Township shall be paid for unused sick leave and vacation days in accordance with the Township's agreement or personnel policy.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$5,641,322.40. Actual payment for compensated absences occurs through the Accumulated Leave Trust Fund at the time the employee terminates employment. The Trust Fund is funded through the annual budget appropriation of the Current Fund budget. The balance in the Trust Fund as of December 31, 2013 is \$54,817.61.

Note 10: **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 11: **CAPITAL DEBT**

Summary of Debt

	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 47,290,579.00	\$ 46,998,000.00	\$ 45,439,914.00
Loans	3,004,247.49	3,664,367.52	1,771,144.15
Total Issued	<u>50,294,826.49</u>	<u>50,662,367.52</u>	<u>47,211,058.15</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>4,263,960.00</u>	<u>10,401,539.00</u>	<u>3,857,278.00</u>
<u>Deductions</u>			
General:			
Funds Temporarily Held to Pay Debt	<u>60,672.79</u>	<u>40,360.79</u>	<u>79,986.77</u>
Net Debt	<u>\$ 54,498,113.70</u>	<u>\$ 61,023,545.73</u>	<u>\$ 50,988,349.38</u>

Note 11: **CAPITAL DEBT (CONT'D)**

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.269%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional High School District	\$ 14,925,277.22	\$ 14,925,277.22	
Local School District	17,331,000.00	17,331,000.00	
General	54,558,786.49	60,672.79	\$ 54,498,113.70
	<u>\$ 86,815,063.71</u>	<u>\$ 32,316,950.01</u>	<u>\$ 54,498,113.70</u>

Net Debt \$54,498,113.70 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$4,296,223,805.67 equals 1.269%.

Borrowing Power Under N.J.S.A. 40A:26 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 150,367,833.20
Net Debt	<u>54,498,113.70</u>
Remaining Borrowing Power	<u>\$ 95,869,719.50</u>

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

<u>Calendar Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
<u>General Debt - Bonds</u>			
2014	\$ 978,195.00	\$ 5,760,000.00	\$ 6,738,195.00
2015	845,682.50	3,585,000.00	4,430,682.50
2016	748,070.00	3,695,000.00	4,443,070.00
2017	637,970.00	3,795,000.00	4,432,970.00
2018	517,045.00	3,915,000.00	4,432,045.00
2019-2023	1,113,362.50	10,998,000.00	12,111,362.50
2024-2026	36,287.50	555,000.00	591,287.50
	<u>\$ 4,876,612.50</u>	<u>\$ 32,303,000.00</u>	<u>\$ 37,179,612.50</u>
<u>General Debt - Green Acres Loan</u>			
2014	\$ 29,772.81	\$ 128,996.00	\$ 158,768.81
2015	27,179.97	131,588.82	158,768.79
2016	24,541.03	134,233.76	158,774.79
2017	21,836.93	132,268.11	154,105.04
2018	19,224.97	130,216.35	149,441.32
2019-2023	56,945.44	625,047.31	681,992.75
2024-2028	8,943.50	238,376.91	247,320.41
	<u>\$ 188,444.65</u>	<u>\$ 1,520,727.26</u>	<u>\$ 1,709,171.91</u>

Note 11: **CAPITAL DEBT (CONT'D)**

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

<u>Calendar Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
<u>General Debt - New Jersey Environmental Infrastructure Loan</u>			
2014	\$ 15,106.26	\$ 77,417.77	\$ 92,524.03
2015	14,656.26	77,417.77	92,074.03
2016	14,056.26	77,417.77	91,474.03
2017	13,306.26	77,417.77	90,724.03
2018	12,556.26	77,417.77	89,974.03
2019-2023	50,781.30	402,088.85	452,870.15
2024-2028	26,281.30	427,088.85	453,370.15
2029-2031	5,306.26	267,253.68	272,559.94
	<u>\$ 152,050.16</u>	<u>\$ 1,483,520.23</u>	<u>\$ 1,635,570.39</u>

Note 12: **LEASE OBLIGATIONS**

The Township had capital lease agreements in effect for the following:

Seven (7) 2010 Ford Crown Victoria Police Vehicles

The following is an analysis of the capital leases.

	<u>Balance</u> <u>Dec. 31, 2013</u>
Various Police Vehicles	<u>\$ 38,746.00</u>

Future minimum lease payments under this capital lease agreement are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	<u>\$ 38,746.00</u>	<u>\$ 2,267.00</u>	<u>\$ 41,013.00</u>

Note 13: **CHANGE ORDERS**

During the year 2013, the Township amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than 20 percent:

<u>Resolution No.</u>	<u>Project Description</u>
13:11-308	Harmon Drive Stormwater Pipe Replacement

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

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

Note 14: **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 or the issuing entity's fiscal year end.

Gloucester Township has the following bond issues outstanding at December 31, 2013:

<u>Issue Date</u>	<u>Amount</u>	<u>Liability</u>
July 15, 2005	\$ 9,378,000.00	None (1)
December 1, 2007	6,154,000.00	None (2)
September 15, 2009	6,430,000.00	None (1)
July 1, 2010	6,880,000.00	None (1)
February 1, 2011	10,000,000.00	None (3)
April 1, 2011	3,440,000.00	None (1)
February 1, 2012	5,540,000.00	None (3)
November 15, 2012	1,985,000.00	None (1)

- (1) Issue meets the small issuer or other exceptions and is not subject to and arbitrage calculation.
- (2) Arbitrage calculation was completed and no rebate is due.
- (3) The rebate calculations on these bonds are required to be made at least once every five years. However, the Township of Gloucester has not prepared the rebate calculation for purposes of determining any contingent liability for rebate. It is anticipated that when such calculation is made, the liability, if any, will be appropriated in that year's general budget.

Note 15: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ -	\$ 23,681.89	\$ 15,213.91	\$ 15,628.50
2012	40,000.00	6,959.00	43,327.00	7,013.00
2011	-	3,209.00	17,541.00	2,287.00

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2013 are \$3,900.00.

Note 17: **RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Commercial Insurance Coverage - The Township maintains commercial insurance coverage for property and general liability, boiler and machinery, surety bonds, crime, public officials' liability, and excess liability coverage for health benefits, workers compensation and disability benefits.

Self- Insurance Plan - The Township is self-insured for the following:

Health Benefits – Administered by a third party administrator. Stop loss deductible of \$75,000 per individual and a \$1,000,000 aggregate at 125% of projected claims.

Workers Compensation - Self-insured up to \$250,000 per incident with an aggregate of \$500,000. A commercial policy is maintained for claims in excess of \$250,000 per occurrence. The Gloucester Township Municipal Utilities Authority is also covered under this policy and reimburses the Township for claims applicable to their employees. The Trust Fund balance for the Reserve for Workers Compensation as of December 31, 2013 is \$18,345.78. No estimate of the required reserve for claims has been made.

Temporary Disability Insurance - This program is a mirror image of the State of New Jersey Temporary Disability Insurance Plan, whereby an employee who becomes temporarily disabled within fourteen (14) days of their last day of work is covered. Each employee must contribute 1/2 of a percent on the first \$20,200 of covered wages up to a maximum of \$101.00. The Township is required to contribute at a variable rate. The Trust Fund balance for the Reserve for Disability Insurance as of December 31, 2013 is \$47,304.47. No estimate of the required reserve for claims has been made.

Note 18: **PRIOR PERIOD ADJUSTMENT**

Land was reported as deleted/sold in the December 31, 2012 audit within the General Fixed Asset Account Group. It was discovered that the land sold during 2012 was never included in the land balance; therefore it should not have been reported as deleted. As a result, the following prior period adjustment is needed to be made:

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Prior Period</u> <u>Adjustment</u>	<u>Balance</u> <u>(Restated)</u> <u>Dec. 31, 2012</u>
General Fixed Assets:			
Land	\$ 4,566,275.00	\$ 1,800,000.00	\$ 6,366,275.00
Land Improvements	6,668,425.81		6,668,425.81
Buildings and Improvements	6,664,566.40		6,664,566.40
Machinery Equipment	8,261,435.73		8,261,435.73
Vehicles	7,053,721.48		7,053,721.48
	<u>\$ 33,214,424.42</u>	<u>\$ 1,800,000.00</u>	<u>\$ 35,014,424.42</u>
Total General Fixed Assets	<u>\$ 33,214,424.42</u>	<u>\$ 1,800,000.00</u>	<u>\$ 35,014,424.42</u>
Total Investments in General Fixed Assets	<u>\$ 33,214,424.42</u>	<u>\$ 1,800,000.00</u>	<u>\$ 35,014,424.42</u>

Note 19: **LITIGATION**

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 20: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Township authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Acquisition of Various Pieces of Equipment and Construction and Completion of Various Capital Projects	1/27/2014	\$ 6,166,898.00
Various Improvement to the Stormwater Drainage System	1/27/2014	1,750,000.00

On April 2, 2014 the Township issued \$21,154,000 in General Obligation Serial Bonds. The proceeds of the bonds were used to pay off \$14,987,579.00 in Bond Anticipation Notes outstanding at December 31, 2013 as well as financing certain 2014 projects listed above.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Current Cash -- Treasurer
For the Year Ended December 31, 2013

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2012	\$ 11,806,666.13	\$ -
Increased by Receipts:		
Taxes Receivable	\$ 144,935,638.72	
Tax Title Liens	306,294.03	
Prepaid Taxes	835,114.01	
Revenue Accounts Receivable	10,905,597.08	
Miscellaneous Revenue not Anticipated	1,050,325.17	
Refunds of Appropriations	1,958,347.14	
Refunds of Appropriation Reserves	1,547.94	
Petty Cash Funds	300.00	
Due State of New Jersey -- Veterans' and Senior Citizens' Deductions	652,563.32	
Property Maintenance Liens Receivable	25,007.70	
Due State of New Jersey -- Training Fees Surcharge	47,984.00	
Due State of New Jersey -- Marriage Licenses	8,375.00	
Due Camden County Municipal Utilities Authority	1,326,233.01	
Due Gloucester Municipal Utilities Authority	406,826.33	
Due Animal Control Fund	28.19	
Due Municipal Open Space Trust Fund	66,456.29	
Due Trust Other Fund:		
Interfund Received	312,381.93	
Collections on-behalf of	1,536,728.54	
Due General Capital Fund:		
Interfund Received	6,356,563.17	
Premium on Sale of Notes Collected on-behalf of Contra	75,837.15 158,666.82	
Federal and State Grants Receivable		\$ 425,941.72
Unappropriated Grants		22,344.81
Due from Current Fund		351,159.41
	170,966,815.54	799,445.94
	182,773,481.67	799,445.94
Decreased by Disbursements:		
2013 Appropriations	51,946,485.29	
2012 Appropriation Reserve	834,387.03	
County Taxes Payable	35,390,635.03	
County Added and Omitted Taxes	14,747.32	
Local School District Tax Payable	43,613,343.38	
Regional High School Tax Payable	23,206,655.47	
Special (Fire) District Taxes Payable	6,075,575.00	
Tax Overpayments	108,091.23	
Petty Cash Funds	300.00	
Due State of New Jersey -- Training Fees Surcharge	36,467.00	
Due State of New Jersey -- Marriage Licenses	8,400.00	
Refund of Current Year Anticipated Revenues		
Refund of Prior Year Revenue	204,224.98	
Refunds of Miscellaneous Revenue not Anticipated		
Property Maintenance Liens Receivable	50,603.03	
Police Outside Service Receivable	1,583.95	
Accounts Payable	5,278.57	
Special Emergency Note Payable	338,000.00	
Due Current Fund:		
Miscellaneous Revenue Not Anticipated		
Due Trust Other Fund	358,103.25	
Due Municipal Open Space Trust Fund - Taxes	896,844.97	
Due Municipal Open Space Trust Fund - Interfund	9,453.03	
Due to Federal and State Grant Fund	351,159.41	
Reserve for Cost of Revaluation	28,271.95	
Due General Capital Fund	7,755,744.54	
Contra	158,666.82	
Reserve for Federal and State Grants Appropriated		799,445.94
	171,393,021.25	799,445.94
Balance December 31, 2013	\$ 11,380,460.42	\$ -

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2013

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 400.00
Municipal Court	1,000.00
Township Chief Finance Officer	200.00
Township Clerk	100.00
Municipal Alliance Office	100.00
Mayor's Office	50.00
	<u>\$ 1,850.00</u>

Exhibit SA-3

CURRENT FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2013

<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Finance Office	<u>\$ 300.00</u>	<u>\$ 300.00</u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND

Statement of Due from State of New Jersey - Senior Citizens' and Veterans Deductions
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 92,242.59
Increased by:		
2013 Levy:		
Deductions per Tax Billing	\$ 645,750.00	
2013 Deductions Allowed by Collector	<u>11,000.00</u>	
	656,750.00	
Less: 2013 Deductions Disallowed by Collector	<u>(10,433.53)</u>	<u>646,316.47</u>
		738,559.06
Decreased by:		
Receipts		<u>652,563.32</u>
Balance December 31, 2013		<u><u>\$ 85,995.74</u></u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	2013 Levy	2012	C o l l e c t e d 2013	Due from State of New Jersey	Overpayments Created	Canceled	Arrear Transfers	Transferred to Tax Title Liens	Balance Dec. 31, 2013
Bankruptcy's 2012	\$ 386,604.16			\$ 157,019.19		\$ 6,496.00	\$ 6,471.00	\$ 114,484.39	\$ 41,771.39	\$ 302,297.97
										25.00
2013	386,604.16	\$ 146,698,569.85	\$ 586,847.81	157,019.19 144,822,448.52	\$ 646,316.47	6,496.00 172,336.89	6,471.00 350,510.69	114,484.39 (114,484.39)	41,771.39 350,262.39	302,322.97 36.47
	<u>\$ 386,604.16</u>	<u>\$ 146,698,569.85</u>	<u>\$ 586,847.81</u>	<u>\$ 144,979,467.71</u>	<u>\$ 646,316.47</u>	<u>\$ 178,832.89</u>	<u>\$ 356,981.69</u>	<u>\$ -</u>	<u>\$ 392,033.78</u>	<u>\$ 302,359.44</u>
Cash Collections				\$ 144,935,638.72						
Due from Trust Other Fund - Taxes Collected on-behalf of Current Fund				43,828.99						
				<u>\$ 144,979,467.71</u>						
<u>Analysis of 2013 Property Tax Levy</u>										
Tax Yield:										
General Purpose				\$ 140,442,831.03						
Fire District Tax				6,075,575.00						
Added / Omitted Taxes				180,163.82						
				<u>\$ 146,698,569.85</u>						
Tax Levy:										
Local District School Tax				\$ 43,603,342.00						
Regional High School Tax				23,206,657.00						
County Taxes:										
County Tax			\$ 32,512,011.27							
County Library Tax			2,027,405.68							
County Open Space Preservation			851,218.08							
Due County for Added and Omitted Taxes			28,663.84							
				35,419,298.87						
Special (Fire) District Tax			6,075,575.00							
Municipal Open Space Tax			896,133.00							
Due Municipal Open Space Trust for Added and Omitted Tax			731.97							
Local Tax for Municipal Purposes			37,346,064.00							
Add: Additional Tax Levied			150,768.01							
				<u>44,469,271.98</u>						
										<u>\$ 146,698,569.85</u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 653,643.84
Increased by:		
Transfers from Taxes Receivable	\$ 392,033.78	
Miscellaneous Added	4,331.98	
I/C on Tax Sale	9,657.59	
		406,023.35
		1,059,667.19
Decreased by:		
Collections		306,294.03
Balance December 31, 2013		\$ 753,373.16

TOWNSHIP OF GLOUCESTER
CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Accrued</u> <u>in 2013</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Miscellaneous Revenue:				
Alcoholic Beverages		\$ 59,640.00	\$ 59,640.00	
Licenses Other		26,323.00	26,323.00	
Fees and Permits		48,189.11	48,189.11	
Fines and Costs - Municipal Court	\$ 162,449.99	1,709,663.45	1,768,844.72	\$ 103,268.72
Interest and Costs on Taxes		336,331.88	336,331.88	
Interest on Investments and Deposits		74,983.40	74,983.40	
Recreation Fees		225,350.76	225,350.76	
Tax Sale Fees		189,628.11	189,628.11	
Payment in Lieu of Senior Citizen Housing Complex		200,122.00	200,122.00	
Municipal Pool Fees		89,675.00	89,675.00	
Lease of Public Building		10,346.12	10,346.12	
Tax Abatement in Lieu of Billing	90,997.00	948,861.18	927,809.93	112,048.25
Police Dept Fees		10,853.09	10,853.09	
Cable TV Fees		211,013.84	211,013.84	
Consolidated Municipal Property Tax Relief Aid		547,066.00	547,066.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		4,559,392.62	4,559,392.62	
Uniform Construction Code Fees		510,615.00	510,615.00	
Payment of Bond Principal - Due from Black Horse				
Pike Regional High School District		73,000.00	73,000.00	
Pike Regional High School District				
Pike Regional High School District		36,412.50	36,412.50	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
General Capital Surplus		1,000,000.00	1,000,000.00	
	<u>\$ 253,446.99</u>	<u>\$ 10,867,467.06</u>	<u>\$ 10,905,597.08</u>	<u>\$ 215,316.97</u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$	13,873.66
Increased by:		
Transferred from Appropriation Reserves		211.70
		14,085.36
Decreased by:		
Disbursements		5,278.57
Balance December 31, 2013	\$	8,806.79

Exhibit SA-9

CURRENT FUND
Statement of Special (Fire) District Taxes Payable
For the Year Ended December 31, 2013

Increased by:		
2013 Levy	\$	6,075,575.00
Decreased by:		
Disbursements		6,075,575.00

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2013

	Balance December 31, 2012				
	<u>Reserved</u>	<u>Encumbered</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
<u>OPERATIONS -- WITHIN "CAPS"</u>					
<u>Administrative and Executive:</u>					
Office of Business Administrator:					
Salaries and Wages	\$ 579.55		\$ 579.55		\$ 579.55
Other Expenses	23.85	\$ 90.00	613.85	\$ 122.70	491.15
Office of Administrative Support:					
Salaries and Wages	41,613.95		41,613.95		41,613.95
Other Expenses	8.21	4,467.69	4,475.90	2,310.05	2,165.85
Office of Personnel:					
Salaries and Wages	58,619.05		58,619.05		58,619.05
Other Expenses	494.26	2,459.71	3,453.97	2,974.16	479.81
Office of Mayor:					
Salaries and Wages	3,517.32		3,517.32		3,517.32
Other Expenses	996.38		996.38	63.65	932.73
Office of Twp. Council:					
Other Expenses	295.61		295.61	149.67	145.94
Office of Public Information:					
Other Expenses	84.50		84.50		84.50
Office of Twp. Clerk:					
Salaries and Wages	5,569.92		5,569.92		5,569.92
Other Expenses	4,149.73	102.00	8,251.73	1,079.24	7,172.49
Office of Treasury:					
Salaries and Wages	639.34		639.34		639.34
Other Expenses	311.21		311.21	(50.00)	361.21
Office of Data Processing:					
Salaries and Wages	67.69		67.69		67.69
Other Expenses	41,508.88		41,508.88	6,261.75	35,247.13
Office of Tax Collector:					
Salaries and Wages	4.25		4.25		4.25
Other Expenses	51,821.87	21,697.18	73,519.05	22,960.22	50,558.83
Tax Assessment Administration:					
Salaries and Wages	10,220.28		10,220.28		10,220.28
Other Expenses	1,920.87		1,920.87	12.25	1,908.62
Legal Services:					
Salaries and Wages	30.07		30.07		30.07
Other Expenses	2,928.51	3,909.00	6,837.51	1,791.45	5,046.06
Engineering Services:					
Other Expenses	826.24		826.24	5,612.75	213.49
Office of Grants Administration:					
Other Expenses	35.34	30.28	65.62	31.83	33.79
Rent Stabilization Board:					
Other Expenses	174.35		174.35		174.35
Office of Community Development:					
Salaries and Wages	11,059.57		11,059.57		11,059.57
Other Expenses	12,536.19	667.22	13,203.41	182.87	13,020.54
Const. Code Enforcement Agency:					
Salaries and Wages	33,562.64		33,562.64		33,562.64
Other Expenses	1,191.01	34.97	1,225.98	140.77	1,085.21
<u>Health and Welfare:</u>					
Director of Community Services:					
Salaries and Wages	2,041.65		2,041.65		2,041.65
Other Expenses	334.20		334.20	94.90	239.30
Office of Senior Citizens:					
Salaries and Wages	15,874.85		15,874.85		15,874.85
Board of Health					
Salaries and Wages	1,523.00		1,523.00		1,523.00
Other Expenses	978.93		978.93	(40.00)	1,018.93
<u>Land Use Administration:</u>					
Planning Board:					
Salaries and Wages	417.18	416.00	833.18	266.00	567.18
Other Expenses	52,967.41		52,967.41	115.66	52,851.75
Zoning Board of Adjustment:					
Salaries and Wages	1,089.17		1,689.17	1,648.00	41.17
Other Expenses	49,279.24		49,279.24	87.67	49,191.57
Office of Zoning:					
Salaries and Wages	1,177.48		1,177.48		1,177.48
Insurance:					
General Liability	436.52	5,110.20	7,546.72	7,428.35	118.37
Workers Compensation	2,344.79		2,344.79		2,344.79
Employee Group Health	564,493.69	100.00	507,293.69	141,871.42	365,422.27
Unemployment insurance	5,153.36		5,153.36		5,153.36
<u>Public Safety:</u>					
Police Department:					
Salaries and Wages	72,395.74		72,395.74		72,395.74
Other Expenses	221,957.10	65,642.83	288,799.93	57,827.43	230,972.50
Police Communications:					
Salaries and Wages	183.44		183.44		183.44
Other Expenses	18,543.19	9,020.80	27,563.99	8,161.46	19,402.53

(Continued)

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2013

	Balance December 31, 2012				
	<u>Reserved</u>	<u>Encumbered</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
<u>Public Safety (Cont'd):</u>					
Office of Prosecutor:					
Other Expenses	\$ 1.04		\$ 1.04		\$ 1.04
Municipal Court:					
Salaries and Wages	80.58		80.58		80.58
Other Expenses	950.08	\$ 7,739.86	15,689.94	\$ 14,616.27	1,073.67
<u>Public Works:</u>					
Office of Director:					
Salaries and Wages	25.37		25.37		25.37
Other Expenses	49,541.97	3,452.54	52,994.51	1,828.60	51,165.91
Street and Road Maintenance:					
Salaries and Wages	445.46	735.00	1,180.46	735.00	445.46
Other Expenses	548,078.38	4,069.04	552,147.42	14,271.77	537,875.65
Sanitation:					
Contractual	611,361.08		611,361.08	155,430.71	455,930.37
Public Buildings and Grounds					
Salaries and Wages	258.89		258.89		258.89
Other Expenses	272.37	6,537.05	12,809.42	12,437.43	371.99
<u>Other PW Functions</u>					
Other Expenses	46,465.00		48,965.00	48,714.75	250.25
Vehicle Maintenance:					
Salaries and Wages	470.42		470.42		470.42
Other Expenses	98,280.28	28,392.60	126,672.88	37,837.57	88,835.31
<u>Parks and Recreation:</u>					
Recreation					
Salaries and Wages	32,970.99		32,970.99		32,970.99
Other Expenses	63.37		3,063.37	2,953.31	110.06
Office of Community Activities:					
Other Expenses	1,337.06	390.56	1,727.62	992.64	734.98
<u>Municipal Pool:</u>					
Salaries and Wages	97.93		97.93		97.93
Other Expenses	2,993.19		2,993.19	902.70	2,090.49
<u>Maintenance of Parks and Play Grounds:</u>					
Salaries and Wages	496.51		496.51		496.51
Other Expenses	5,232.14	1,692.84	6,924.98	2,567.77	4,357.21
<u>Utility Expenses and Bulk Purchases:</u>					
Electric	57,637.96		57,637.96	15,071.09	42,566.87
Street Lights	55,687.45		55,687.45	50,277.59	5,409.86
Telephone	19,219.82		19,219.82	2,982.10	16,237.72
Water	7,948.49		7,948.49	2,545.78	5,402.71
Heating	34,615.82		34,615.82	13,497.47	21,118.35
Sewer	39.45	1,197.75	1,237.20	(1,197.75)	2,434.95
Gasoline	7,983.87	38,563.75	71,547.62	69,727.71	1,819.91
<u>Landfill Disposal Costs:</u>					
Other Expenses	205,951.67		205,951.67	120,104.43	85,847.24
<u>Unclassified:</u>					
Compensated Absences Leave	148,414.34		148,414.34		148,414.34
Total Operations Including Contingent - Within "CAPS"	<u>3,232,902.56</u>	<u>206,518.87</u>	<u>3,439,421.43</u>	<u>827,401.19</u>	<u>2,612,020.24</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL - WITHIN "CAPS"</u>					
<u>Statutory Expenditures</u>					
Contribute To:					
Social Security System(O.A.S.I)	23,890.63		23,890.63		23,890.63
Total Deferred Charges and Statutory Expenditures- Municipal Within "CAPS"	<u>23,890.63</u>	<u>-</u>	<u>23,890.63</u>	<u>-</u>	<u>23,890.63</u>
<u>Operations Excluded from "CAPS"</u>					
Streets and Road Maintenance					
Sanitation - Recycling Tax	19,695.25		19,695.25	5,649.60	14,045.65
Total Operations - Excluded From "CAPS"	<u>19,695.25</u>		<u>19,695.25</u>	<u>5,649.60</u>	<u>14,045.65</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>19,695.25</u>		<u>19,695.25</u>	<u>5,649.60</u>	<u>14,045.65</u>
Total General Appropriations	<u>\$ 3,276,488.44</u>	<u>\$ 206,518.87</u>	<u>\$ 3,483,007.31</u>	<u>\$ 833,050.79</u>	<u>\$ 2,649,956.52</u>
Cash Disbursed				\$ 834,387.03	
Transfer to Accounts Payable				211.70	
Reimbursements				(1,547.94)	
				<u>\$ 833,050.79</u>	

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2013

Balance December 31, 2012 (2013 Taxes)		\$ 586,847.81
Increased by:		
Receipts (2014 Taxes)	\$ 835,114.01	
Overpayments Applied	451,068.69	
Overpayments Created	<u>(171,707.63)</u>	
		<u>1,114,475.07</u>
		1,701,322.88
Decreased by:		
Application to 2013 Taxes		<u>586,847.81</u>
Balance December 31, 2013 (2014 Taxes)		<u><u>\$ 1,114,475.07</u></u>

Exhibit SA-12

CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 337,697.80
Increased by:		
Created - 2013 Taxes	\$ 172,336.89	
Created - 2012 Taxes	<u>6,496.00</u>	
		\$ 178,832.89
Created - Prepaid Taxes		<u>171,707.63</u>
		350,540.52
Added Tax Overpayments		<u>6,570.16</u>
		<u>357,110.68</u>
		694,808.48
Decreased by:		
Disbursements:		
Tax Overpayments	108,091.23	
Overpayments Applied - Prepaid Taxes	<u>451,068.69</u>	
		<u>559,159.92</u>
Balance December 31, 2013		<u><u>\$ 135,648.56</u></u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
 Statement of Deferred Charges
 N.J.S. 40A:4-55 Special Emergency Authorizations
 For the Year Ended December 31, 2013

<u>Purpose</u>	<u>Date Authorized</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2012</u>	<u>Raised in 2013 Budget</u>
Revaluation	08/11/09	<u>\$ 1,690,000.00</u>	<u>\$ 338,000.00</u>	<u>\$ 302,000.00</u>	<u>\$ 302,000.00</u>

CURRENT FUND
 Schedule of Special Emergency Note Payable
 For the Year Ended December 31, 2013

<u>Description</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance Dec. 31, 2012</u>	<u>Paid</u>
Revaluation	09/01/09	09/01/11	08/31/13	<u>\$ 338,000.00</u>	<u>\$ 338,000.00</u>
Special Emergency Authorization - Budget Appropriation					\$ 302,000.00
Prepaid Special emergency Note					<u>36,000.00</u>
					<u>\$ 338,000.00</u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2013

2013 Levy:		
County Tax	\$	32,512,011.27
County Library Tax		2,027,405.68
County Open Space Preservation		<u>851,218.08</u>
		\$ 35,390,635.03
Decreased by:		
Disbursements		<u><u>\$ 35,390,635.03</u></u>

Exhibit SA-16

CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 14,747.32
Increased by:		
Rollback Assessments (2010)	\$	1,268.52
Rollback Assessments (2011)		1,368.96
Rollback Assessments (2012)		1,435.92
Added Assessments (2012)		197.12
Added Assessments (2013)		23,997.66
Omitted/Added (2012)		<u>395.66</u>
		<u>28,663.84</u>
		43,411.16
Decreased by:		
Disbursements		<u><u>14,747.32</u></u>
Balance December 31, 2013		<u><u>\$ 28,663.84</u></u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Regional High School Tax
For the Year Ended December 31, 2013

Increased by:		
Levy -- Calendar Year		\$ 23,206,657.00
Decreased by:		
Disbursements		<u>23,206,655.47</u>
Balance December 31, 2013		<u><u>\$ 1.53</u></u>

Exhibit SA-18

CURRENT FUND
Statement of Local School District Tax Payable
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 14,903.38
Increased by:		
Levy -- Calendar Year		<u>43,603,342.00</u>
		43,618,245.38
Decreased by:		
Disbursements		<u>43,613,343.38</u>
Balance December 31, 2013		<u><u>\$ 4,902.00</u></u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Municipal Open Space Tax
For the Year Ended December 31, 2013

Increased by:			
Levy	\$	896,133.00	
Added and Omitted Taxes		<u>731.97</u>	
			\$ 896,864.97
Decreased by:			
Disbursements			<u>\$ 896,844.97</u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2013

Balance December 31, 2012		
Current Fund Appropriations	\$	206,518.87
Federal and State Grant Fund		<u>353,591.14</u>
		560,110.01
Increased by:		
Current Year Encumbrances:		
Current Fund Appropriations	\$	200,432.08
Federal and State Grant Fund		<u>28,095.38</u>
		<u>228,527.46</u>
		788,637.47
Decreased by:		
Prior Year Encumbrances Reclassified:		
Current Fund Appropriations		206,518.87
Federal and State Grant Fund		<u>353,591.14</u>
		<u>560,110.01</u>
Balance December 31, 2013	\$	<u><u>228,527.46</u></u>

TOWNSHIP OF GLOUCESTER
CURRENT FUND
Statement of Changes in (Assets), Liabilities and Reserves
For the Year Ended December 31, 2013

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Increased by</u> <u>Receipts</u>	<u>Decreased by</u> <u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Miscellaneous Maintenance Liens Receivable	\$ (10,825.86)	\$ 25,007.70	\$ 50,603.03	\$ (36,421.19)
Police Outside Service Receivable	(6,883.23)		1,583.95	(8,467.18)
Due to State of New Jersey:				
Marriage License Fees	2,050.00	8,375.00	8,400.00	2,025.00
State Training Fees	7,427.00	47,984.00	36,467.00	18,944.00
Due Camden County Municipal Utilities Authority		1,326,233.01		1,326,233.01
Due Gloucester Municipal Utilities Authority	500.00	406,826.33		407,326.33
Reserve For:				
Cost of Revaluation	37,043.55		28,271.95	8,771.60
	<u>\$ 29,311.46</u>	<u>\$ 1,814,426.04</u>	<u>\$ 125,325.93</u>	<u>\$ 1,718,411.57</u>

TOWNSHIP OF GLOUCESTER
FEDERAL AND STATE GRANT FUND
Statement of Due from/(to) Current Fund
For the Year Ended December 31, 2013

Balance December 31, 2012 (Due from)	\$ 310,262.79
Decreased by:	
Intefund Received	<u>351,159.41</u>
Balance December 31, 2013 (Due to)	<u><u>\$ (40,896.62)</u></u>

TOWNSHIP OF GLOUCESTER
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Anticipated</u> <u>Revenue</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Federal Grants:					
Data Collection Grant					
EECBG	\$ 44,503.49		\$ 44,503.49		
JAG Grant	23,976.00				\$ 23,976.00
Bullet Proof Vest Program	28,740.00		10,920.00		17,820.00
Click It or Ticket		\$ 4,000.00	4,000.00		
Over the Limit Under Arrest		4,400.00	4,075.00	\$ 325.00	
NJ Transportation Trust Fund Authority Act:					
Year 2006 and Prior	27,722.52				27,722.52
Davistown Road	145,375.02				145,375.02
Bike Path	41,777.40				41,777.40
Peters Lane	125,132.30				125,132.30
Garwood Rd.	180,006.65				180,006.65
	<u>617,233.38</u>	<u>8,400.00</u>	<u>63,498.49</u>	<u>325.00</u>	<u>561,809.89</u>
State Grants:					
Clean Communities Program		109,720.23	109,720.23		
Alcohol Education / Rehabilitation Program		2,585.96	2,585.96		
Municipal Alliance Grant	895.00	41,558.00	33,548.00		8,905.00
Drunk Driving Enforcement Fund		13,824.04	13,824.04		
Safe and Secure Communities Program	35,565.00	90,000.00	103,065.00		22,500.00
DVRPC		50,000.00			50,000.00
Body Armor Grant		10,482.49	10,482.49		
Green Communities Grant	3,000.00				3,000.00
Civil Preparedness Grant	5,000.00				5,000.00
Camden County Open Space	100,000.00		96,700.00		3,300.00
JLEO - Retrofit		5,000.00			5,000.00
Emergency Management Grant		5,000.00	5,000.00		
Camden County Sobriety Check Point		2,000.00	2,000.00		
Sustainable Jersey Grant	5,000.00				5,000.00
	<u>149,460.00</u>	<u>330,170.72</u>	<u>376,925.72</u>	<u>-</u>	<u>102,705.00</u>
	<u>\$ 766,693.38</u>	<u>\$ 338,570.72</u>	<u>\$ 440,424.21</u>	<u>\$ 325.00</u>	<u>\$ 664,514.89</u>
Original Budget		\$ 214,264.53			
Appropriation by N.J.S.A. 40A:4-87 (Chapter 159's)		124,306.19			
Transferred from Unappropriated Grants			\$ 14,482.49		
Cash Receipts			<u>425,941.72</u>		
		<u>\$ 338,570.72</u>	<u>\$ 440,424.21</u>		

TOWNSHIP OF GLOUCESTER
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Grant</u> <u>Received</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Federal Grants:				
Drive Sober Get Pulled Over		\$ 4,125.00		\$ 4,125.00
Click it or Ticket	\$ 4,000.00	4,000.00	\$ 4,000.00	4,000.00
	<u>4,000.00</u>	<u>8,125.00</u>	<u>4,000.00</u>	<u>8,125.00</u>
State Grants:				
Drunk Driving Enforcement Fund	2,128.00	20.00		2,148.00
Body Armor Grant	10,482.49	14,199.81	10,482.49	14,199.81
Camden County Sobriety Check Point	1,747.73			1,747.73
	<u>14,358.22</u>	<u>14,219.81</u>	<u>10,482.49</u>	<u>18,095.54</u>
Total Federal and State Unappropriated Grants	<u>\$ 18,358.22</u>	<u>\$ 22,344.81</u>	<u>\$ 14,482.49</u>	<u>\$ 26,220.54</u>

TOWNSHIP OF GLOUCESTER
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Transferred from 2013 Budget Appropriation	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2013
Federal Grants:						
School Transportation Safety Grant	\$ 19,869.62					\$ 19,869.62
EECBG			\$ 12,300.00	\$ 12,300.00		
Data Collection Grant	27,980.74					27,980.74
Bullet Proof Vest Program	15,127.62		10,492.38	22,878.76		2,741.24
Drive Sober Get Pulled Over	4,400.00			4,400.00		
Click It or Ticket		\$ 4,000.00		4,000.00		
Over the Limit Under Arrest		4,400.00		4,075.00	\$ 325.00	
NJ Transportation Trust Fund Authority Act:						
Year 2006 and Prior	125.45					125.45
Davistown Road	145,375.02					145,375.02
Bike Path	41,777.40					41,777.40
Peters Lane	13,837.30					13,837.30
Garwood Rd.	38,863.28		310,124.47	327,696.89		21,290.86
	<u>307,356.43</u>	<u>8,400.00</u>	<u>332,916.85</u>	<u>375,350.65</u>	<u>325.00</u>	<u>272,997.63</u>
State Grants:						
Clean Communities Program	69,711.06	109,720.23	1,919.60	127,779.26		53,571.63
Alcohol Education / Rehabilitation Program		2,585.96		2,585.96		
Municipal Alliance Grant	43,116.28	41,558.00	3,346.37	59,525.83		28,494.82
Drunk Driving Enforcement Fund	708.79	13,824.04	3,308.20	13,146.92		4,694.11
Safe and Secure Communities Program		90,000.00		90,000.00		
DVRPC		50,000.00		19,174.41		30,825.59
Body Armor Grant		10,482.49	9,787.62	17,380.62		2,889.49
Civil Preparedness Grant	1,101.78					1,101.78
NJ DCA - Blackwood Clementon Rd.	94,360.13					94,360.13
Exercise Improvement Grant	1,324.04		1,583.50	1,583.50		1,324.04
Enhanced 911 Grant	6,155.41		483.00	5,153.55		1,484.86
Camden County Open Space	125,000.00			96,700.00		28,300.00
JLEO - Retrofit		5,000.00		4,432.27		567.73
Emergency Management Grant		5,000.00	246.00	4,451.04		794.96
Camden County Sobriety Check Point		2,000.00		2,000.00		
Green Communities	3,000.00					3,000.00
Sustainable Jersey Grant	10,000.00			7,023.31		2,976.69
NJ Economic Develop Authority Grant	28,835.45					28,835.45
Domestic Preparedness Equipment	476.34					476.34
Special Purpose Grant - Community Center	2,131.10					2,131.10
Hepatitis B Grant	1,730.00			1,254.00		476.00
	<u>387,650.38</u>	<u>330,170.72</u>	<u>20,674.29</u>	<u>452,190.67</u>		<u>286,304.72</u>
	<u>\$ 695,006.81</u>	<u>\$ 338,570.72</u>	<u>\$ 353,591.14</u>	<u>\$ 827,541.32</u>	<u>\$ 325.00</u>	<u>\$ 559,302.35</u>
Original Budget		\$ 214,264.53				
Appropriation by N.J.S.A. 40A:4-87 (Chapter 159's)		124,306.19				
Cancelled Against Grant Receivable					\$ 325.00	
Disbursements				\$ 799,445.94		
Reserve for Encumbrances				28,095.38		
		<u>\$ 338,570.72</u>		<u>\$ 827,541.32</u>	<u>\$ 325.00</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF GLOUCESTER
TRUST FUND
 Statement of Trust Cash - Treasurer
 For the Year Ended December 31, 2013

	<u>Animal Control</u>	<u>Municipal Open Space Trust</u>	<u>Other</u>
Balance December 31, 2012	\$ 568.61	\$ 259,433.98	\$ 3,499,360.59
Increased by Receipts:			
Animal License Fees	\$ 64,138.20		
Due to State of New Jersey	4,321.80		
Due Current Fund:			
Interest Earnings on Deposits	77.49		\$ 11,546.74
Interfunds Created			358,103.25
Collected by Trust Other on-behalf of Current		\$ 9,453.03	43,828.99
Due from Open Space Trust Fund			87,543.97
Budget Appropriations	60,000.00		
Reserve for Municipal Open Space		933,777.58	71,422.39
Receipts on Receivable			
Reserve for Trust Other Funds:			
Interest Earnings			1,653.96
Other Receipts	<u>128,537.49</u>	<u>943,230.61</u>	<u>27,788,703.51</u>
	129,106.10	1,202,664.59	31,862,163.40
Decreased by Disbursements:			
Reserve for Animal Fund Expenditures	118,389.25		
Due to State of New Jersey	4,323.00		
Due Current Fund:			
Interest Earnings on Deposits Turned Over	74.37		6,897.00
Interfunds Returned	28.19	66,456.29	312,381.93
Due Trust Other Fund:		87,543.97	
Interfunds Returned			79,186.84
Due General Capital Fund:			
Disbursements made on-behalf of			
Budget Appropriations		896,133.00	
Reserve for Future Use - Other Expenses		83,284.54	4,314.52
Disbursed on Receivable			
Reserve for Trust Other Funds	<u>122,814.81</u>	<u>1,133,417.80</u>	<u>28,316,353.11</u>
Balance December 31, 2013	<u>\$ 6,291.29</u>	<u>\$ 69,246.79</u>	<u>\$ 3,143,030.00</u>

TOWNSHIP OF GLOUCESTER
ANIMAL CONTROL FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2013

December 31, 2012		\$ 28.19
Increase by:		
Receipts - Interest Earnings		77.49
		105.68
Decreased by:		
Disbursements:		
Prior Year Interfund Liquidated	\$ 28.19	
Current Year Interest Earnings	74.37	
		102.56
December 31, 2013		\$ 3.12

Exhibit SB-3

ANIMAL CONTROL FUND
 Statement of Due to State of New Jersey
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 18.00
Increased by:		
Receipts		4,321.80
		4,339.80
Decreased by:		
Disbursements		4,323.00
Balance December 31, 2013		\$ 16.80

Exhibit SB-4

ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Fund Expenditures
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 522.42
Increased by:		
Receipts - Animal License Fees	\$ 64,138.20	
Budget Appropriation	60,000.00	
		124,138.20
		124,660.62
Decreased by:		
Expenditures Under R.S.4:19.11		118,389.25
Balance December 31, 2013		\$ 6,271.37
<u>License Fees Collected</u>		<u>Amount</u>
<u>Year</u>		
2012		\$ 72,230.20
2011		74,668.94
		\$ 146,899.14

TOWNSHIP OF GLOUCESTER
MUNICIPAL OPEN SPACE TRUST FUND
 Statement of Due To Current Fund
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 65,428.77
Increased by:		
Receipts:		
Current Year Interfund		9,453.03
		74,881.80
Decreased by:		
Disbursements:		
Prior Year Interfund Liquidated	\$ 65,422.58	
Current Year Interfund	1,033.71	
		66,456.29
Balance December 31, 2013		\$ 8,425.51

Exhibit SB-6

MUNICIPAL OPEN SPACE TRUST FUND
 Statement of Reserve for Future Use
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 106,461.24
Increased by:		
Receipts:		
2013 Levy	\$ 896,133.00	
Added and Omitted Taxes	731.97	
Miscellaneous Revenues	35,750.85	
Interest Earnings on Deposits	1,161.76	
		933,777.58
		1,040,238.82
Decreased by:		
Disbursements:		
Budget Appropriations	896,133.00	
Other Open Space Acquisition Expenses	83,284.54	
		979,417.54
Balance December 31, 2013		\$ 60,821.28

Exhibit SB-7

MUNICIPAL OPEN SPACE TRUST FUND
 Statement of Due To Trust Other Fund
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 87,543.97
Decreased by:		
Interfund Returned		\$ 87,543.97

TOWNSHIP OF GLOUCESTER
TRUST - OTHER FUNDS
Statement of Due from Current Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 133,812.30
Increased by:		
Disbursements:		
Current Year Interest Earning Turned Over	\$ 6,897.00	
Interfunds Disbursed to Current Fund	312,381.93	
	319,278.93	
Receipts Collected by Current Fund on-behalf of Trust Other	1,536,728.54	
		1,856,007.47
		1,989,819.77
Decreased by:		
Receipts:		
Interest Earnings	11,546.74	
Interfunds Received by Current Fund	358,103.25	
Receipts Collected by Trust Other on-behalf of Current Fund	43,828.99	
	413,478.98	
		\$ 1,576,340.79

Analysis of Balance Due From/(Due To)

Disposal of Forfeited Property		\$ 12,430.89
Redemption of Privately Held Liens		1,613,051.96
Workman's Compensation		(16,166.00)
Disability Claims		(15.22)
Encroachment Escrows		(5.01)
Multiple Dwelling Escrows		(11.47)
Revolving Loan Fund		4,918.91
Payroll Fund		(2,385.61)
K-9 Schultz		(729.22)
Flexible Spending		(188.73)
Trust Other		(34,505.32)
Special Recreation Trust		(54.39)
		\$ 1,576,340.79

TOWNSHIP OF GLOUCESTER
TRUST - OTHER FUNDS
 Statement of Changes in Miscellaneous Trust Other Receivables
 For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Increased By		Decreased by		Balance Dec. 31, 2013
		Awarded	Disbursements	Receipts		
Housing and Community Development Act						
2011/12 Metro Cities Grant	\$ 26,412.74			\$ 26,412.74		
2012/13 Metro Cities Grant	264,078.00			43,787.26		\$ 220,290.74
2013/14 Metro Cities Grant		\$ 263,822.00				263,822.00
CC Home Consortium Program FY12	40,000.00					40,000.00
CC Home Consortium Program FY07	50,938.00					50,938.00
School Bus GPS System	23,333.81		\$ 4,314.52	1,222.39		26,425.94
Workman's Compensation - MUA	12,064.30					12,064.30
Rehabilitation Mortgages Receivable	905,471.46					905,471.46
	<u>\$ 1,322,298.31</u>	<u>\$ 263,822.00</u>	<u>\$ 4,314.52</u>	<u>\$ 71,422.39</u>		<u>\$ 1,519,012.44</u>

TOWNSHIP OF GLOUCESTER
TRUST - OTHER FUNDS
 Statement of Changes in Miscellaneous Trust Other Reserves
 For the Year Ended December 31, 2013

	Increased by			Decreased by			Balance Dec. 31, 2013
	Balance Dec. 31, 2012	Interest Earnings	Other Receipts	Other Additions	Disbursements	Adjustments	
Reserve for:							
K-9 Schultz	\$ 2,055.85				\$ 2,055.85		\$ 1,031.00
Seasonal Cleanup Escrows	1,031.00						54,817.61
Accumulated Absences	54,817.61						458,854.23
Engineering Escrows	532,724.43	\$ 1,005.44	\$ 219,626.77		294,502.41		398,926.73
Cash Performance Guarantees	410,174.40		222,882.47		234,130.14		120,904.45
Grading Escrows	16,204.67		104,699.78				2,272.86
Developers Interest on Escrows	2,272.86						137,729.89
Recycling Funds	185,938.79		81,914.10		130,123.00		11,091.28
Miscellaneous Grant Escrows	11,091.28						41,599.96
Public Defender	45,184.69		18,257.00		21,841.73		2,874.00
POAA	392.00		2,482.00				26,618.57
Municipal Alliance Funds	33,757.62		2,910.85		10,049.90		
Housing and Community Development Act:							
2011/12 Metro Cities Grant	72,836.48				72,836.48		159,515.56
2012/13 Metro Cities Grant	264,078.00			\$ 263,822.00	104,562.44		263,822.00
2013/14 Metro Cities Grant							
CC Home Consortium Program FY11	3,880.00				3,880.00		29,010.00
CC Home Consortium Program FY12	40,000.00				10,990.00		1,973.17
Sidewalk Improvements	9,773.17				7,800.00		12,900.30
Neighborhood Preservation Program	12,900.30	308.00	50,740.47	2,590.93	47,781.63		90,424.38
Disposal of Forfeited Property	84,566.61		2,264,065.14	1,531,468.54	3,487,798.31		653,588.00
Redemption of Privately Held Liens	345,842.63		1,412,500.00		522,100.00		1,927,300.00
Tax Sale Premium	1,036,900.00				350,298.93		13,509.87
Workman's Compensation	14,087.96		349,720.84		79,813.90		4,835.91
Workman's Compensation - Salaries and Wages	14,649.81		70,000.00				6,282.92
Workman's Compensation - MUA	6,282.92						47,304.47
Disability Claims	55,854.65		29,982.08		38,532.26		15,628.50
Unemployment Compensation Insurance	7,012.93	147.59	23,681.89		15,213.91		110,158.70
Special Recreation Trust	66,587.00		228,908.02		189,720.02	\$ 4,383.70	82,149.59
Affordable Housing Trust	17,582.93	181.53	67,885.13		3,500.00		905,471.46
Rehabilitation Mortgages Receivable	905,471.46						16,677.89
Encroachment Escrows	16,257.89		2,012.00		1,592.00		38,425.61
Multiple Dwelling Escrows	38,425.61						2,951.27
Sloan's Legacy	2,939.87	11.40					229,123.55
Revolving Loan Fund	224,124.55		83,591.50	5,270.00	83,862.50		424,653.11
Payroll Fund	495,834.82		22,364,766.99		22,435,948.70		37,854.16
Flexible Spending	17,196.68		188,076.48		167,419.00		
	<u>\$ 5,048,731.47</u>	<u>\$ 1,653.96</u>	<u>\$ 27,788,703.51</u>	<u>\$ 1,803,141.47</u>	<u>\$ 28,316,353.11</u>	<u>\$ 4,383.70</u>	<u>\$ 6,330,261.00</u>
Reallocation of Contracts Payable				\$ 263,822.00		\$ 4,383.70	
Current Year Awards							
Collections on-behalf of Trust Fund				1,536,728.54			
Due from Current Fund				2,590.93			
Due from General Capital Fund							
				<u>\$ 1,803,141.47</u>		<u>\$ 4,383.70</u>	

TOWNSHIP OF GLOUCESTER
TRUST - OTHER FUNDS
Statement of Due from General Capital Fund
For the Year Ended December 31, 2013

Increased by:		
Funds Collected in General Capital Fund on-behalf of Trust Other	\$	2,590.93
Funds disbursed by Trust Other Fund on-behalf of General Capital Fund:		
Reimbursements due from Improvement Authorizations		79,186.84
Balance December 31, 2013	\$	81,777.77
 <u>Analysis of Balance Due</u>		
Disposal of Forfeited Property	\$	2,590.93
Metro Cities Grant		79,186.84
	\$	81,777.77

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 4,225,914.22
Increased by Receipts:		
Due Current Fund	\$ 7,761,870.28	
Bond Anticipation Notes	6,137,579.00	
Refund of Improvement Authorizations	1,920.24	
Capital Improvement Fund	150,000.00	
NJFIT Receipts	1,560,938.00	
Due to Police Forfeiture Trust - Sale of Assets	2,590.93	
Reserve for Payment of Debt Service	<u>20,312.00</u>	
		<u>15,635,210.45</u>
		19,861,124.67
Decreased by Disbursements:		
Improvement Authorizations	8,458,361.01	
Due Current Fund	6,361,300.70	
Anticipated as Revenue in Current Fund:		
Capital Surplus	<u>1,000,000.00</u>	
		<u>15,819,661.71</u>
Balance December 31, 2013		<u><u>\$ 4,041,462.96</u></u>

TOWNSHIP OF GLOUCESTER
 GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2013

Ordinance Number	Balance or (Deficit) Dec. 31, 2012	Receipts		Disbursements		Balance or (Deficit) Dec. 31, 2013
		Miscellaneous	Improvement Authorizations	Notes Issued	Improvement Authorizations	
Due from Current Fund	\$ (1,327,923.17)	\$ 7,761,870.28			\$ 75,837.15	\$ (3,190.74)
Due from New Jersey Environmental Infrastructure Trust Fund	(2,017,186.00)	1,560,938.00				2,590.93
Due to Trust other - Police Forfeiture Trust		2,590.93				79,186.84
Capital Improvements Fund	44,052.69	150,000.00				194,052.69
Encumbrances	2,869,148.27	20,312.00			2,869,148.27	615,556.31
Reserve for Payment of Debt	40,360.79					60,672.79
Fund Balance	1,141,129.80				1,000,000.00	1,014,744.74
General Improvements:						
00-19	(1,800.00)					(1,800.00)
02-34	(951.00)					(951.00)
03-26	(119.00)					(119.00)
03-36	520.00				520.00	
04-19	(133.00)					(133.00)
04-26	(228.00)					(228.00)
05-14	4,401.46				4,470.46	
06-30	57,360.16					
07-24	58,730.51		\$ 875.00			
08-16	(228,833.19)					
09-12	(313,473.67)					
09-15	251,699.13					
09-17	(20,920.87)					
09-21	172,570.38					
10-09	570,978.21		1,045.24			
10-17	827,681.59					
10-23	(31.00)					
11-16	(490,324.98)					
11-21	2,382,822.01					
12-06	294,984.32					
12-07	(346,348.88)			\$ 874,000.00		
12-12	(2,110.00)					
12-28	250,324.62					
12-29				5,263,579.00		
13-03				363,043.31		
	\$ 4,225,914.22	\$ 9,495,711.21	\$ 1,920.24	\$ 6,137,579.00	\$ 8,458,361.01	\$ 4,041,462.96
			\$ 1,920.24	\$ 6,137,579.00	\$ 5,171,229.09	\$ 4,041,462.96
					\$ 7,361,300.70	\$ 4,041,462.96
						\$ 5,171,229.09
						\$ 4,041,462.96

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 41,557,367.52
Decreased by:		
Budget Appropriation:		
Serial Bonds	\$ 5,590,000.00	
NJEIT Loans Payable	77,417.77	
Green Acres Loans Payable	<u>126,454.26</u>	
	5,793,872.03	
NJEIT Loans Cancelled	<u>456,248.00</u>	
		<u>6,250,120.03</u>
Balance December 31, 2013		<u><u>\$ 35,307,247.49</u></u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2013

Improvement Description	Ordinance Number	Increased by		Decreased by		Balance Dec. 31, 2012	2013 Authorizations	Notes paid by Budget Appropriation	Authorizations Reappropriated	Balance Dec. 31, 2013	Financed by Bond Anticipation Notes	Expenditures	Analysis of Balance December 31, 2013	Unexpended Improvement Authorizations
		2013 Authorizations	2013	Notes paid by Budget Appropriation	Authorizations Reappropriated									
General Improvements:														
Various Capital Improvements	00-19	\$ 1,800.00				\$ 1,800.00	\$			\$ 1,800.00		\$ 1,800.00	\$ 1,800.00	
Various Capital Improvements	02-34	951.00				951.00				951.00		951.00	951.00	
Various Capital Improvements	03-26	119.00				119.00				119.00		119.00	119.00	
Various Capital Improvements	04-19	133.00				133.00				133.00		133.00	133.00	
Acquisition of Vehicles	04-26	228.00				228.00				228.00		228.00	228.00	
Various Capital Improvements	05-14	69.00				69.00				69.00		69.00	69.00	
Various Capital Improvements	07-24	217.00		\$ 217.00										
Various Capital Improvements	09-12	254,070.00				254,070.00				228,833.19		228,833.19	228,833.19	
Various Capital Improvements	09-15	481,345.00		25,236.81		481,345.00		25,236.81		313,473.67		313,473.67	313,473.67	
Various Capital Improvements	09-17	482,814.00		167,871.33		482,814.00		167,871.33		482,814.00		204,548.87	204,548.87	\$ 278,265.13
Various Capital Improvements	09-21	60,121.00				60,121.00				20,920.87		20,920.87	20,920.87	
Construction of Street Hockey Rinks	10-17	1,595,000.00		\$ 255,000.00		1,595,000.00		255,000.00		1,150,069.22	\$ 1,150,069.22			
Various Capital Improvements	10-23	1,268,883.00				1,268,883.00				1,268,883.00				
Cost of Closure Remediation	11-16	1,165,031.00				1,165,031.00				1,165,031.00				
Acquisition of Four Wheel Drive Vehicles	11-21	518,225.00				518,225.00				518,225.00		505,720.14	505,720.14	12,504.86
Various Capital Improvements	12-06	5,118,964.00				5,118,964.00				5,118,964.00				2,847.00
Energy Savings Improvement Program	12-07	265,000.00				265,000.00				265,000.00				265,000.00
Building Improvements	12-12	874,000.00				874,000.00				874,000.00				
Drainage Improvements	12-28	2,155,990.00				2,155,990.00				2,155,990.00		440,798.11	440,798.11	1,715,191.89
Various Capital Improvements	12-29	5,263,579.00				5,263,579.00				5,263,579.00				
Various Capital Improvements	13-03						\$ 422,456.05			422,456.05		87,668.58	87,668.58	184,856.69
		<u>\$ 19,506,539.00</u>	<u>\$ 422,456.05</u>	<u>\$ 255,000.00</u>	<u>\$ 422,456.05</u>	<u>\$ 19,251,539.00</u>	<u>\$ 14,987,579.00</u>	<u>\$ 1,805,294.43</u>	<u>\$ 6,248,856.19</u>	<u>\$ 2,458,665.57</u>	<u>\$ 2,458,665.57</u>	<u>\$ 2,458,665.57</u>	<u>\$ 2,458,665.57</u>	<u>\$ 2,458,665.57</u>
Improvement Authorizations -- Unfunded Less: Unexpended Proceeds of Bond Anticipation Notes Issued:														
	Ordinance Number													
	10-17												\$ 22,639.60	
	10-23												433,753.97	
	12-06												1,110,842.88	
	12-12												241,425.21	
	12-29												1,981,528.96	
													<u>3,790,190.62</u>	

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2012		Reappropriated	Pitor Year Encumbrances/ Contracts Payable Reclassified	Paid or Charged	Cancelled	Balance Dec. 31, 2013	
				Funded	Unfunded					Funded	Unfunded
03-36	Various Capital Improvements	11/24/03	\$ 3,116,375.00	\$ 520.00				\$ 520.00			
05-14	Various Capital Improvements	04/04/05	4,167,523.00	4,470.46				4,470.46			
06-30	Various Capital Improvements	10/11/06	2,735,711.00								
07-24	Various Capital Improvements	10/10/07	3,450,216.00	\$ 217.00	\$ (58,452.16)		\$ 11,717.07				
08-16	Various Capital Improvements	07/07/08	935,180.00	58,730.51	(58,730.51)		4,197.20		4,197.20		
09-12	Various Capital Improvements	05/27/09	266,775.00	25,236.81	(25,236.81)		17,789.00				
09-17	Various Capital Improvements	04/27/09	2,500,000.00	397,675.66	336,837.47		58,326.68		456,248.00		\$ 278,265.13
09-15	Various Capital Improvements	07/27/09	505,415.00	167,871.33	(167,871.33)						
09-21	Various Capital Improvements	09/28/09	63,130.00	39,200.13	(39,200.13)						
10-09	Acquisition of Copier and Computer Software	02/22/10	68,000.00	9,533.04	(9,533.04)						
10-23	Various Capital Improvements	04/26/10	4,031,483.00	570,978.21	(10,578.28)			(1,045.24)			433,753.97
10-17	Construction of Street Hockey Rinks	04/26/10	2,100,000.00	212,570.38	(189,930.78)			137,224.24			22,639.60
11-03	Acquisition of Various Capital Equipment	02/28/11	6,865,668.00	827,681.59			211,860.94	226,522.20	788,590.13	\$ 24,430.20	
11-21	Acquisition of Four Wheel Drive Vehicles	11/28/11	545,500.00	27,900.02			26,710.89	42,106.05			12,504.86
12-06	Various Capital Improvements	11/28/11	5,374,912.00	2,385,669.01	2,467,884.31		1,195,905.18	2,467,884.31			1,113,689.88
12-07	Energy Savings Improvement Program	11/28/11	2,250,000.00	265,000.00			946,524.00	1,172,985.31		68,523.01	265,000.00
12-12	Building Improvements	11/28/11	920,000.00	527,651.12			376,854.31	663,080.22			241,425.21
12-28	Drainage Improvement Program	11/28/11	2,155,980.00	2,153,880.00			438,688.11				1,715,191.89
12-29	Various Capital Improvements	11/28/11	5,540,610.00	250,324.62			19,263.00	3,551,637.66			1,981,528.96
13-03	Various Capital Improvements	01/28/13	550,000.00	550,000.00				365,143.31			184,856.69
				\$ 1,901,280.36	\$ 11,976,590.48	\$ -	\$ 2,869,148.27	\$ 9,151,183.92	\$ 1,254,025.79	\$ 92,953.21	\$ 6,248,856.19

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 1,327,923.17
Increased by:		
Disbursements:		
Current Year Interest Earnings	\$ 4,737.53	
Disbursed to Current Fund	<u>6,356,563.17</u>	
	6,361,300.70	
Premium on Sale of Notes - Collected in Current Fund	<u>75,837.15</u>	<u>6,437,137.85</u>
		7,765,061.02
Decreased by Receipts:		
Interest Earnings	6,125.74	
Received from Current Fund	<u>7,755,744.54</u>	<u>7,761,870.28</u>
Balance December 31, 2013		<u><u>\$ 3,190.74</u></u>

Exhibit SC-7

GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 44,052.69
Increased by:		
Budget Appropriation - Receipts		<u>150,000.00</u>
Balance December 31, 2013		<u><u>\$ 194,052.69</u></u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2013

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Decreased By</u>		<u>Balance Dec. 31, 2013</u>
				<u>December 31, 2013</u>	<u>Amount</u>			<u>Payment of Bonds</u>	<u>\$</u>	
Refunding Bonds 2010	07/01/10	\$ 6,880,000.00	02/01/14	\$ 1,930,000.00		2.500%	\$ 3,805,000.00	\$ 1,875,000.00	\$	1,930,000.00
Refunding Bonds 2009	09/15/09	6,430,000.00	02/01/14	1,365,000.00		4.000%	2,685,000.00	1,320,000.00		1,365,000.00
General Bonds 2007	12/01/07	6,154,000.00	12/01/14-15	500,000.00		3.750%				
			12/01/16-18	550,000.00		3.750%				
			12/01/19-20	600,000.00		3.800%	4,300,000.00	450,000.00		3,850,000.00
General Bonds 2011	02/01/11	10,000,000.00	02/01/14	550,000.00		2.000%				
			02/01/15	950,000.00		2.000%				
			02/01/16	945,000.00		3.000%				
			02/01/17	1,005,000.00		3.000%				
			02/01/18	1,050,000.00		3.000%				
			02/01/19	1,075,000.00		3.000%				
			02/01/20	1,100,000.00		3.000%				
			02/01/21	1,100,000.00		3.125%				
			02/01/22	1,100,000.00		4.000%	9,450,000.00	575,000.00		8,875,000.00
Refunding Revenue Bonds CCIA Lease of 2011	04/01/11	3,440,000.00	04/01/14	285,000.00		3.000%				
			04/01/15	300,000.00		3.000%				
			04/01/16	305,000.00		2.000%				
			04/01/17	310,000.00		2.375%				
			04/01/18	315,000.00		2.750%				
			04/01/19	330,000.00		5.000%				
			04/01/20	345,000.00		5.000%				
			04/01/21	365,000.00		5.000%				
			04/01/22	385,000.00		5.000%	3,215,000.00	275,000.00		2,940,000.00
General Bonds 2003	03/01/03	7,683,000.00					435,000.00	435,000.00		
Refunding Bonds 2012	02/01/12	5,540,000.00	02/01/14	500,000.00		2.000%				
			02/01/15	1,200,000.00		2.000%				
			02/01/16	1,230,000.00		2.000%				
			02/01/17	1,260,000.00		2.000%				
			02/01/18	1,300,000.00		2.000%	5,540,000.00	50,000.00		5,490,000.00

(Continued)

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2013

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding, December 31, 2013</u>	<u>Interest Rate</u>	<u>Decreased By</u>		<u>Balance Dec. 31, 2013</u>
					<u>Balance Dec. 31, 2012</u>	<u>Payment of Bonds</u>	
General Bonds 2005	07/15/05	\$ 9,378,000.00	\$ 525,000.00	3.750%			
			525,000.00	3.750%			
			550,000.00	3.850%			
			575,000.00	4.000%			
			600,000.00	4.000%			
			650,000.00	4.000%			
			700,000.00	4.000%			
			728,000.00	4.000%	\$ 6,478,000.00	\$ 500,000.00	\$ 5,978,000.00
General Bonds 2012	11/15/12	1,985,000.00	105,000.00	2.000%			
			110,000.00	2.000%			
			115,000.00	2.000%			
			120,000.00	2.000%			
			125,000.00	2.000%			
			135,000.00	2.000%			
			140,000.00	2.000%			
			150,000.00	2.000%			
			155,000.00	2.750%			
			340,000.00	3.270%			
			380,000.00	3.500%	1,985,000.00	110,000.00	1,875,000.00
					\$ 37,893,000.00	\$ 5,590,000.00	\$ 32,303,000.00

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Green Acres Trust Fund Loan Payable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 1,647,181.52
Decreased by:	
Paid by Budget Appropriation	<u>126,454.26</u>
Balance December 31, 2013	<u><u>\$ 1,520,727.26</u></u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of New Jersey Environmental Trust Fund Loan Payable
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 2,017,186.00
Decreased by:		
Paid by Budget Appropriation	\$ 77,417.77	
Cancelled	<u>456,248.00</u>	
		<u>533,665.77</u>
Balance December 31, 2013		<u>\$ 1,483,520.23</u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 2,869,148.27
Increased by:	
Encumbered Against:	
Improvement Authorizations	<u>615,556.31</u>
	3,484,704.58
Decreased by:	
Encumbrances Reclassified:	
Improvement Authorizations	<u>2,869,148.27</u>
Balance December 31, 2013	<u><u>\$ 615,556.31</u></u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
 Statement 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 Dec. 31, 2012	Issued	Redeemed	Balance Dec. 31, 2013
10-17	Construction of Street Hockey Rink	06/01/10	06/05/12	06/04/13	1.50%	\$ 1,555,000.00	\$ 1,150,069.22	\$ 1,555,000.00	\$ 1,150,069.22
10-17	Construction of Street Hockey Rink	06/01/10	06/03/13	06/02/14	1.00%				
10-23	Various Capital Improvements	06/01/10	06/05/12	06/04/13	1.50%	1,268,883.00		1,268,883.00	1,268,883.00
10-23	Various Capital Improvements	06/01/10	06/03/13	06/02/14	1.00%		1,268,883.00		
11-16	Landfill Closure Costs	09/15/11	06/05/12	06/04/13	1.50%	1,165,000.00		1,165,000.00	1,165,000.00
11-16	Landfill Closure Costs	09/15/11	06/03/13	06/02/14	1.00%		1,165,000.00		
12-06	Various Capital Improvements	06/05/12	06/05/12	06/04/13	1.50%	5,116,117.00		5,116,117.00	5,116,117.00
12-06	Various Capital Improvements	06/05/12	06/03/13	06/02/14	1.00%		5,116,117.00		
12-12	Various Recreational Improvements	06/03/13	06/03/13	06/02/14	1.00%		874,000.00		874,000.00
12-29	Various Capital Improvements	06/03/13	06/03/13	06/02/14	1.00%		5,263,579.00		5,263,579.00
13-03	Various Capital Improvements	06/03/13	06/03/13	06/02/14	1.00%		149,930.78		149,930.78
						<u>\$ 9,105,000.00</u>	<u>\$ 14,987,579.00</u>	<u>\$ 9,105,000.00</u>	<u>\$ 14,987,579.00</u>

Issued for Cash	\$ 6,137,579.00
Budget Appropriation:	
Open Space Trust Fund	\$ 255,000.00
Renewal	8,850,000.00
	<u>\$ 14,987,579.00</u>
	<u>\$ 14,987,579.00</u>

TOWNSHIP OF GLOUCESTER
GENERAL CAPITAL FUND
Statement of Due from State of New Jersey
Environmental Infrastructure Trust Receivable
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 2,017,186.00
Decreased by:		
Receipts	\$ 1,560,938.00	
Loan Canceled	<u>456,248.00</u>	
		<u>\$ 2,017,186.00</u>

TOWNSHIP OF GLOUCESTER

GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized but Not Issued
For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Balance Dec. 31, 2012	Issuance of Notes	Reappropriated	Balance Dec. 31, 2013
00-19	Various Capital Improvements	\$ 1,800.00			\$ 1,800.00
02-34	Acquisition of Various Vehicles	951.00			951.00
03-26	Acquisition of Vehicles	119.00			119.00
04-19	Acquisition of Vehicles	133.00			133.00
04-26	Acquisition of Vehicles	228.00			228.00
05-14	Various Capital Improvements	69.00			69.00
07-24	Various Capital Improvements	217.00		\$ (217.00)	
09-12	Various Capital Improvements	254,070.00		(25,236.81)	228,833.19
09-17	Various Capital Improvements	482,814.00			482,814.00
09-15	Various Capital Improvements	481,345.00		(167,871.33)	313,473.67
09-21	Various Capital Improvements	60,121.00		(39,200.13)	20,920.87
10-17	Construction of Street Hockey Rinks	40,000.00		(40,000.00)	
11-16	Landfill Closure Costs	31.00			31.00
11-21	Acquisition of Four Wheel Drive Vehicle	518,225.00			518,225.00
12-06	Various Capital Improvements	2,847.00			2,847.00
12-07	Energy Savings Improvement Program	265,000.00			265,000.00
12-12	Various Building Improvement	874,000.00	\$ 874,000.00		
12-28	Drainage Improvements	2,155,990.00			2,155,990.00
12-29	Various Capital Improvements	5,263,579.00	5,263,579.00		
13-03	Various Capital Improvements			272,525.27	272,525.27
		<u>\$ 10,401,539.00</u>	<u>\$ 6,137,579.00</u>	<u>\$ -</u>	<u>\$ 4,263,960.00</u>

GLOUCESTER TOWNSHIP
PART 2
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2013

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Major State Program

We have audited the Township of Gloucester's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the Township's major state program for the year ended December 31, 2013. The Township's major state program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Township's major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Major State Program

In our opinion, Township of Gloucester complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for year ended December 31, 2013.

Report on Internal Control Over Compliance

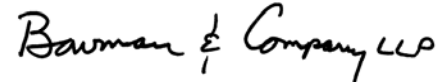
Management of Township of Gloucester is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect the major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Gloucester's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 04-04-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 11, 2014

TOWNSHIP OF GLOUCESTER
 Schedule of Expenditures of State Financial Assistance
 For the Year Ended December 31, 2013

<u>State Grantor/Program Title</u>	<u>State GMIS Number</u>	<u>Program or Award Amount</u>	<u>Matching Contribution</u>	<u>Grant Period</u>	
				<u>From</u>	<u>To</u>
Department of Community Affairs:					
Camden County Open Space - Veterans Park	Not Available	\$ 25,000.00	N/A	01/01/09	12/31/09
Camden County Open Space	Not Available	100,000.00	N/A	01/01/11	12/31/11
Domestic Preparedness Equipment	2007-100-022-8030-803-PT-6020	5,755.17	N/A	09/01/06	06/30/07
Green Communities	10-100-042-4870-038	3,000.00	N/A	01/01/11	12/31/11
New Jersey Department of Community Affairs Smart Future Planning					
Blackwood/Clementon Commercial Center	8020-100-022-8070-039-6120	94,360.13	N/A	01/01/08	12/31/08
Speical Purpose Grant - Community Center	8020-100-022-8070-039-6120	56,000.00	N/A	01/01/06	12/31/07
Department of Environmental Protection:					
Clean Communities	765-042-4900-004	93,452.04	N/A	01/01/12	12/31/12
Clean Communities	765-042-4900-004	109,720.23	N/A	01/01/13	12/31/13
New Jersey Environmental Infrastructure Loan					
Cherrywood Development Stormwater Drainage Improvements - Project 0415T598	4850-500-840010-60	1,560,938.00	N/A	01/01/13	01/01/13
Department of Health:					
Communicable Disease Services:					
Hepatitis B Grant	100-045-5230-241	5,000.00	N/A	01/01/03	12/31/03
Sustainable Jersey Grant	Not Available	10,000.00	N/A	01/01/12	12/31/12
Municipal Court Alcohol Education and Rehabilitation Program	760-046-4240-001	2,585.96	N/A	01/01/13	12/31/13
Department of Law and Public Safety:					
Civil Defense Preparedness	100-066-1200-726	5,000.00	N/A	01/01/09	12/31/09
Drunk Driving Enforcement Fund					
Drunk Driving Enforcement Fund	100-066-6400-XXX	15,443.34	N/A	01/01/12	12/31/12
Drunk Driving Enforcement Fund (Unappropriated)	1110-448-31020-50	20.00	N/A	01/01/13	12/31/13
Enhanced 911 Grant	2034-100-082-05-G04-072	60,960.00	N/A	01/01/09	12/31/09
Exercise Improvement Grant	Not Available	14,886.34	N/A	01/01/12	12/31/12
Joint Law Enforcement Operations - Retrofit	Not Available	5,000.00	N/A	01/01/13	12/31/13
Emergency Management Grant	Not Available	5,000.00	N/A	01/01/13	12/31/13
Safe and Secure Communities					
Safe and Secure Communities	100-066-1020-107	90,000.00	N/A	01/01/12	12/31/12
Safe and Secure Communities	100-066-1020-107	90,000.00	N/A	01/01/13	12/31/13
Body Armor Replacement					
Body Armor Replacement	718-066-1020-001	9,787.62	N/A	01/01/11	12/31/11
Body Armor Replacement	718-066-1020-001	10,482.49	N/A	01/01/12	12/31/12
Body Armor Replacement (Unappropriated)	718-066-1020-001	14,199.81	N/A	01/01/13	12/31/13
Department of Traffic and Highway Safety:					
Camden County Sobriety Check Point	Not available	2,000.00	N/A	01/01/13	12/31/13
Department of Transportation:					
Delaware Valley Regional Planning Commission	Not available	50,000.00	N/A	01/01/13	12/31/13
Department of Treasury:					
Municipal Alliance Grant	100-082-2000-044	41,558.00	N/A	01/01/11	12/31/11
Municipal Alliance Grant	100-082-2000-044	41,558.00	N/A	01/01/12	12/31/12
Municipal Alliance Grant	100-082-2000-044	41,558.00	N/A	01/01/13	12/31/13
Municipal Alliance Grant - Matching Share	100-082-2000-044		10,389.50	01/01/13	12/31/13
Passed through New Jersey Economic Development Authority:					
Green Acres Trust - Hazardous Discharge and Site Remediation	69-022-1644	47,154.00	N/A	01/01/05	12/31/05
Total State Financial Assistance					

General Capital Fund
 Trust Other Fund
 Grant Fund

The accompanying notes to the financial statements and notes to the schedules of expenditures of State Financial Assistance are an integral part of this schedule.

Balance Dec. 31, 2012	Receipts or Revenue Recognized	Prior Year Encumbrances Reclassified	Disbursements/ Expenditures	Encumbrances	Balance Dec. 31, 2013	(Memo Only)	
						Cash Receipts	Accumulated Expenditures
\$ 25,000.00					\$ 25,000.00		
100,000.00			\$ 96,700.00		3,300.00	\$ 96,700.00	\$ 96,700.00
476.34					476.34		5,278.83
3,000.00					3,000.00		
94,360.13					94,360.13		
2,131.10					2,131.10		53,868.90
69,711.06		\$ 1,919.60	71,630.66				93,452.04
	\$ 109,720.23		55,612.80	\$ 535.80	53,571.63	109,720.23	55,612.80
	1,560,938.00		1,560,938.00			1,560,938.00	1,560,938.00
1,730.00			1,254.00		476.00		4,524.00
10,000.00			7,023.31		2,976.69		7,023.31
	2,585.96		2,585.96			2,585.96	2,585.96
1,101.78					1,101.78		3,898.22
708.79		3,308.20	4,016.99				15,443.34
	13,824.04		8,564.21	565.72	4,694.11	13,824.04 20.00	8,564.21
6,155.41		483.00	4,670.55	483.00	1,484.86		59,475.14
1,324.04		1,583.50	1,583.50		1,324.04		13,562.30
	5,000.00		4,432.27		567.73		4,432.27
	5,000.00	246.00	3,668.66	782.38	794.96	5,000.00	3,668.66
	90,000.00		90,000.00			35,565.00 67,500.00	90,000.00 90,000.00
		9,787.62	9,787.62				9,787.62
	10,482.49			7,593.00	2,889.49	10,482.49 14,199.81	
	2,000.00		2,000.00			2,000.00	2,000.00
	50,000.00		19,174.41		30,825.59		19,174.41
1,558.28		1,558.28	3,116.56				41,558.00
41,558.00		1,788.09	38,273.79		5,072.30	895.00	36,485.70
	41,558.00			18,135.48	23,422.52	32,653.00	
33,757.62	2,910.85		10,049.90		26,618.57	2,910.85	10,049.90
28,835.45					28,835.45		18,318.55
<u>\$ 421,408.00</u>	<u>\$ 1,894,019.57</u>	<u>\$ 20,674.29</u>	<u>\$ 1,995,083.19</u>	<u>\$ 28,095.38</u>	<u>\$ 312,923.29</u>	<u>\$ 1,954,994.38</u>	<u>\$ 2,306,402.16</u>
	\$ 1,560,938.00		\$ 1,560,938.00			\$ 1,560,938.00	\$ 1,560,938.00
\$ 33,757.62	2,910.85		10,049.90		\$ 26,618.57	2,910.85	10,049.90
387,650.38	330,170.72	\$ 20,674.29	424,095.29	\$ 28,095.38	286,304.72	391,145.53	735,414.26
<u>\$ 421,408.00</u>	<u>\$ 1,894,019.57</u>	<u>\$ 20,674.29</u>	<u>\$ 1,995,083.19</u>	<u>\$ 28,095.38</u>	<u>\$ 312,923.29</u>	<u>\$ 1,954,994.38</u>	<u>\$ 2,306,402.16</u>

GLOUCESTER TOWNSHIP
Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2013

Note 1: **GENERAL**

The accompanying schedule of expenditures of state financial assistance presents the activity of all state financial assistance programs of Gloucester Township, County of Camden, State of New Jersey. The Township is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of state financial assistance is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agrees with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

<u>Fund</u>	<u>State Expenditures</u>
General Capital	\$ 1,560,938.00
Trust Other	10,049.90
Grant	<u>424,095.29</u>
	<u>\$ 1,995,083.19</u>

Note 4: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

GLOUCESTER TOWNSHIP

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2013

GLOUCESTER TOWNSHIP
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

This section not applicable.

Internal control over major programs:

Material weakness(es) identified? _____ yes _____ no

Significant deficiency(ies) identified? _____ yes _____ none reported

Type of auditor's report issued on compliance for major programs _____

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? _____ yes _____ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

Dollar threshold used to determine Type A programs \$ _____

Auditee qualified as low-risk auditee? _____ yes _____ no

GLOUCESTER TOWNSHIP
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 04-04-OMB? _____ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

4850-500-840010-60	New Jersey Environmental Infrastructure Loan - Cherrywood Development Stormwater Drainage Improvements

Dollar threshold used to determine Type A programs \$300,000

Auditee qualified as low-risk auditee? _____ yes X no

GLOUCESTER TOWNSHIP
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section 2 - Schedule of Financial Statement Findings

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

No current year findings.

GLOUCESTER TOWNSHIP
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section 3 - Schedule of Federal Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

This section is not applicable.

GLOUCESTER TOWNSHIP
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section 4 - Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

No current year findings.

GLOUCESTER TOWNSHIP
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings

GLOUCESTER TOWNSHIP
 Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>	
David R. Mayer	Mayor		
Glen V. Bianchini	President of Council		
Orlando Mercado	Vice – President of Council		
Daniel Hutchison	Councilperson		
Samuel Siler	Councilperson		
Franklin T. Schmidt	Councilperson		
Tracey Trotto	Councilperson		
Michelle Winters	Councilperson		
Rosemary DiJosie	Township Clerk, Officer for Searches for Municipal Liens	\$100,000	A
Nancy Power	Assistant Township Clerk	\$100,000	A
Thomas C. Cardis	Township Administrator	\$20,000	B
Sandra Ferguson	Tax Collector, Tax Search Officer	\$410,000	B
Christie Ehret	Chief Financial Officer, Treasurer	\$200,000	B
David Carlamere	Solicitor		
Nicholas Trabosh	Magistrate	\$100,000	A
Patricia Carroll	Municipal Court & Violations Clerk	\$100,000	A
Margaret Monahan	Deputy Court Clerk	\$100,000	A

A Employees are covered by a public employees honesty blanket bond with the Western Surety Insurance Company in the amount of \$100,000.

B Western Surety Company

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

