

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
YEARS ENDED DECEMBER 31, 2012 AND 2011

FINANCIAL STATEMENTS  
AND ADDITIONAL INFORMATION

with

INDEPENDENT AUDITOR'S REPORTS

and

COMMENTS AND RECOMMENDATIONS

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Borough Council  
Borough of Jamesburg, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying comparative balance sheets--regulatory basis of the various funds and account groups of the Borough of Jamesburg, County of Middlesex, State of New Jersey as of December 31, 2012 and 2011, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related comparative statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2012.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1 to the financial statements, the Borough prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the effects of the matters, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Jamesburg, County of Middlesex, State of New Jersey, as of December 31, 2012, or the results of its operations or its cash flows for the year then ended.

### **Basis for Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")**

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Borough's financial statements. The LOSAP financial activities are included in the Borough's Trust Fund, and represent 20.46% and 25.61% of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2012 and 2011.

### **Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")**

Due to the fact that we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Borough's financial statements, we do not express an opinion of the LOSAP financial statements.

### **Opinion on Regulatory Basis of Accounting**

Furthermore, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP financial statements been audited, the financial statements referred to above present fairly, in all material respects the balances sheets – regulatory basis of the various funds and account groups of the Borough of Jamesburg, County of Middlesex, State of New Jersey, as of December 31, 2012 and 2011, and the results of its operations and changes in fund balance of such funds – regulatory basis for the years then ended, and the revenues –regulatory basis, expenditures – regulatory basis of the various funds and account groups for the year ended December 31, 2012 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

## Other Matters

### Report on Supplementary Information

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

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2013, on our consideration of the Borough of Jamesburg's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Jamesburg's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison, CPA, RMA  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #483

Freehold, New Jersey  
March 21, 2013

## FINANCIAL STATEMENTS

CURRENT FUND

EXHIBITS

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY  
 CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

| <u>Assets</u>  | <u>Reference</u> | <u>2012</u>            | <u>2011</u>            | <u>Liabilities, Reserves and Fund Balance</u> | <u>Reference</u> | <u>2012</u>            | <u>2011</u>            |
|--|------------------|------------------------|------------------------|---|------------------|------------------------|------------------------|
| Current Fund:  |                  |                        |                        |   |                  |                        |                        |
| Cash and Investments - Treasurer   | 1-A              | \$ 1,307,047.26        | \$ 656,294.91          |   |                  |                        |                        |
| Change Funds   | 3-A              | 300.00                 | 300.00                 |   |                  |                        |                        |
|  |                  | <u>1,307,347.26</u>    | <u>656,594.91</u>      |   |                  |                        |                        |
| Due From State of New Jersey - Senior Citizens' and Veterans' Deductions | 4-A              |                        | 1,250.00               | Appropriation Reserves                        | A-3, 14-A        | \$ 180,521.29          | \$ 269,005.91          |
| Receivables With Full Reserves:  |                  |                        |                        | Encumbrances Payable                          | 15-A             | 10,869.10              | 5,613.50               |
| Property Taxes Receivable  | 5-A              | 276,033.51             | 268,628.41             | Prepaid Taxes                                 | 16-A             | 80,458.68              | 79,923.12              |
| Due From Local School District   | 18-A             |                        | 26,990.00              | Due To:                                       |                  |                        |                        |
| Property Acquired for Taxes at Assessed Valuation                        | 6-A              | 4,000.00               | 4,000.00               | State of New Jersey - Marriage License Fees   | 17-A             | 175.00                 | 175.00                 |
| Revenue Accounts Receivable  | 7-A              | 7,460.78               | 8,132.96               | Grant Fund                                    | 11-A             |                        | 20,505.30              |
| Due From:  |                  |                        |                        | Local District School Taxes Payable           | 18-A             | 205,948.00             |                        |
| Former Treasurer and/or Bonding Company                                  | 8-A              | 66,665.37              | 67,237.37              |   |                  | <u>477,772.07</u>      | <u>375,222.83</u>      |
| Trust - Other Fund   | 9-A              | 686.06                 | 10.79                  |   |                  |                        |                        |
| General Capital Fund   | 10-A             | 37.06                  | 32.40                  | Reserve for Receivables                       | A                | 368,050.89             | 375,031.93             |
| Grant Fund   | 11-A             | 13,168.11              |                        | Fund Balance                                  | A-1              | 879,575.19             | 282,622.08             |
|  |                  | <u>368,050.89</u>      | <u>375,031.93</u>      |   |                  | <u>1,247,626.08</u>    | <u>657,654.01</u>      |
| Deferred Charges:  |                  |                        |                        |   |                  |                        |                        |
| Emergency Appropriation  | 24-A             | 50,000.00              |                        |   |                  | 1,725,398.15           | 1,032,876.84           |
|  |                  | <u>1,725,398.15</u>    | <u>1,032,876.84</u>    | Grant Fund:                                   |                  |                        |                        |
|  |                  |                        |                        | Due To Current Fund                           | 13-A             | 13,168.11              |                        |
|  |                  |                        |                        | Reserve for Encumbrances                      | 23-A             | 155.00                 | 13,905.00              |
|  |                  |                        |                        | Reserve for State and Federal Grants:         |                  |                        |                        |
| Grant Fund:  |                  |                        |                        | Appropriated                                  | 21-A             | 43,567.06              | 61,516.37              |
| State and Federal Grants Receivable                                      | 12-A             | 65,733.29              | 61,333.29              | Unappropriated                                | 22-A             | 8,843.12               | 6,417.22               |
| Due From Current Fund  | 13-A             |                        | 20,505.30              |   |                  | <u>65,733.29</u>       | <u>81,838.59</u>       |
|  |                  | <u>65,733.29</u>       | <u>81,838.59</u>       | Total Liabilities, Reserves and Fund Balance  |                  | <u>\$ 1,791,131.44</u> | <u>\$ 1,114,715.43</u> |
| Total Assets   |                  | <u>\$ 1,791,131.44</u> | <u>\$ 1,114,715.43</u> |   |                  |                        |                        |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

|   | <u>Reference</u> | <u>2012</u>          | <u>2011</u>          |
|---|------------------|----------------------|----------------------|
| Revenue and Other Income Realized:            |                  |                      |                      |
| Fund Balance Utilized                         | A-2              | \$ 280,000.00        | \$ 590,000.00        |
| Miscellaneous Revenue Anticipated             | A-2              | 930,315.30           | 832,742.13           |
| Receipts From Delinquent Taxes                | A-2              | 268,624.05           | 181,275.92           |
| Receipts From Current Taxes                   | A-2              | 12,854,769.33        | 12,346,886.66        |
| Non-Budget Revenue                            | A-2              | 807,170.53           | 156,697.56           |
| Other Credits To Income:                      |                  |                      |                      |
| Interfunds Returned                           | A                | 43.19                | 43.85                |
| Former Treasurer's Reimbursement              | 8-A              | 572.00               | 624.00               |
| Prior-Year Void Check                         | 1-A              | 250.00               |                      |
| Unexpended Balance of Appropriation Reserves  | 14-A             | <u>107,759.76</u>    | <u>154,360.41</u>    |
| Total Revenues                                |                  | <u>15,249,504.16</u> | <u>14,262,630.53</u> |
| Expenditures:                                 |                  |                      |                      |
| Budget Appropriations:                        |                  |                      |                      |
| Operations:                                   |                  |                      |                      |
| Salaries and Wages                            | A-3              | 2,361,405.00         | 2,386,455.00         |
| Other Expenses                                | A-3              | 1,771,687.96         | 1,737,835.88         |
| Capital Improvements                          | A-3              | 65,000.00            | 60,000.00            |
| Deferred Charges and Statutory Expenditures   | A-3              | 576,773.00           | 621,981.00           |
| Reserve for Due From School District          | 18-A             |                      | 26,990.00            |
| Interfunds Advanced                           | A                | 13,891.23            | 43.19                |
| Local District School Taxes Payable           | 18-A             | 7,456,904.00         | 6,992,743.00         |
| County Taxes Payable                          | 19-A             | 1,632,679.41         | 1,603,514.68         |
| County Share of Added and Omitted Taxes       | 19-A             | 352.97               | 749.02               |
| County Open Space Taxes                       | 19-A             | 149,913.48           | 157,044.87           |
| Special District Taxes Payable                | 20-A             | <u>393,944.00</u>    | <u>394,900.00</u>    |
| Total Expenditures                            |                  | <u>14,422,551.05</u> | <u>13,982,256.64</u> |
| Excess in Revenue                             |                  | <u>\$ 826,953.11</u> | <u>\$ 280,373.89</u> |
| Adjustment To Income Before Fund Balance:     |                  |                      |                      |
| Expenditures Above Which Are By Statute       |                  |                      |                      |
| Deferred Charges To Budget of Succeeding Year |                  |                      |                      |
| Emergency Appropriation                       | A-3              | <u>50,000.00</u>     |                      |
| Statutory Excess To Fund Balance              |                  | 876,953.11           | 280,373.89           |
| Fund Balance, January 1                       | A, A-1           | <u>\$ 282,622.08</u> | <u>\$ 592,248.19</u> |
|   |                  | 1,159,575.19         | 872,622.08           |
| Decreased By:                                 |                  |                      |                      |
| Utilized as Anticipated Revenue               | A-2              | <u>280,000.00</u>    | <u>590,000.00</u>    |
| Fund Balance, December 31                     | A                | <u>\$ 879,575.19</u> | <u>\$ 282,622.08</u> |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|   | Reference | Budget          | Realized        | Excess/<br>(Deficit) |
|---|-----------|-----------------|-----------------|----------------------|
| Surplus Anticipated   | A-1       | \$ 280,000.00   | \$ 280,000.00   |                      |
| Miscellaneous Revenues:   |           |                 |                 |                      |
| Licenses:   |           |                 |                 |                      |
| Alcoholic Beverages   | 7-A       | 12,876.00       | 12,876.00       |                      |
| Other   | 7-A       | 8,400.00        | 9,339.50        | \$ 939.50            |
| Fees and Permits:   |           |                 |                 |                      |
| Other   | 7-A       | 3,800.00        | 1,400.00        | (2,400.00)           |
| Fines and Costs:  |           |                 |                 |                      |
| Municipal Court   | 7-A       | 133,000.00      | 146,705.23      | 13,705.23            |
| Interest and Costs on Taxes   | 7-A       | 55,000.00       | 77,754.27       | 22,754.27            |
| Interest on Investments and Deposits  | 7-A       | 1,000.00        | 1,321.50        | 321.50               |
| Cable Franchise Fees  | 7-A       | 59,097.46       | 59,097.46       |                      |
| Cell Tower Lease  | 7-A       | 36,000.00       | 42,139.21       | 6,139.21             |
| Senior Center Lease   | 7-A       | 9,600.00        | 9,985.00        | 385.00               |
| Consolidated Municipal Property Tax Relief Aid  | 7-A       | 60,284.00       | 60,284.00       |                      |
| Energy Receipts Taxes   | 7-A       | 353,621.00      | 353,621.00      |                      |
| FEMA  | 7-A       | 35,663.92       | 37,834.14       | 2,170.22             |
| Third Party Billing   | 7-A       | 56,381.00       | 47,077.03       | (9,303.97)           |
| Local District Taxes Receivable   | 7-A       | 26,990.00       | 26,990.00       |                      |
| State and Federal Revenues Offset With Appropriations:  |           |                 |                 |                      |
| Recycling Tonnage Grant   | 7-A       | 5,157.69        | 5,157.69        |                      |
| Clean Communities Program   | 7-A       | 7,597.57        | 7,597.57        |                      |
| Drive Sober   | 7-A       | 8,800.00        | 8,800.00        |                      |
| Body Armor Fund   | 7-A       | 1,607.70        | 1,607.70        |                      |
| Special Items of Revenue Anticipated with Prior Written Consent of the Director of Local Government Services: |           |                 |                 |                      |
| Uniform Fire Safety Act   | 7-A       | 20,072.00       | 20,728.00       | 656.00               |
| Total Miscellaneous Revenues  | A-1       | 894,948.34      | 930,315.30      | 35,366.96            |
| Receipts From Delinquent Taxes  | A-1,A-2   | 265,000.00      | 268,624.05      | 3,624.05             |
| Amount To Be Raised By Taxes for Support of Municipal Budget:   |           |                 |                 |                      |
| Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes                                      | A-2,5-A   | 3,579,277.02    | 3,515,334.87    | (63,942.15)          |
| Total General Revenues  | A-3       | 5,019,225.36    | 4,994,274.22    | (24,951.14)          |
| Non-Budget Revenues   | A-1,A-2   |                 | 807,170.53      | 807,170.53           |
|   |           | \$ 5,019,225.36 | \$ 5,801,444.75 | \$ 782,219.39        |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|   | <u>Reference</u> |                  |                        |
|---|------------------|------------------|------------------------|
| <u>Analysis of Realized Revenues</u>                        |                  |                  |                        |
| Revenue From Collections:                                   |                  |                  |                        |
| 2011 Collections  | 5-A              | \$ 79,923.12     |                        |
| 2012 Collections  | 5-A              | 12,740,346.21    |                        |
| State Share of Senior Citizens' and<br>Veterans' Deductions | 5-A              | <u>34,500.00</u> |                        |
|   | A-1              |                  | \$ 12,854,769.33       |
| Allocated To:   |                  |                  |                        |
| School, County and Special District Taxes                   | 18-A,19-A,20-A   |                  | <u>9,633,793.86</u>    |
|   |                  |                  | 3,220,975.47           |
| Increased By:   |                  |                  |                        |
| Reserve for Uncollected Taxes                               | A-3              |                  | <u>294,359.40</u>      |
| Amount for Support of Municipal Budget                      | A-2              |                  | <u>\$ 3,515,334.87</u> |
| Receipts From Delinquent Taxes:                             |                  |                  |                        |
| 2012 Collections  | 5-A              |                  | <u>\$ 268,624.05</u>   |
| Non-Budget Revenues:  |                  |                  |                        |
| Miscellaneous Collector                                     |                  |                  | \$ 920.00              |
| Library   |                  |                  | 31,609.63              |
| Clerk's Office  |                  |                  | 261.14                 |
| Police Work   |                  |                  | 22,612.50              |
| State Housing Inspection Fees                               |                  |                  | 152.00                 |
| Miscellaneous   |                  |                  | 1,636.55               |
| Property Maintenance Registration                           |                  |                  | 18,960.00              |
| Serv. P.I.L.O.T.  |                  |                  | 6,924.28               |
| Barkley Village - P.I.L.O.T.                                |                  |                  | 30,240.00              |
| Recycling   |                  |                  | 4,198.12               |
| Police Reports  |                  |                  | 1,334.87               |
| Sale of Municipal Assets                                    |                  |                  | 659,192.93             |
| Reimbursements  |                  |                  | 3,364.62               |
| Certified Copies  |                  |                  | 3,304.00               |
| Dental Reimbursements                                       |                  |                  | 13,251.56              |
| Burial Permits  |                  |                  | 10.00                  |
| Death Certificates  |                  |                  | 1,613.00               |
| Senior Citizens and Veterans Administration Fee             |                  |                  | 720.00                 |
| Motor Vehicle Fines   |                  |                  | <u>6,865.33</u>        |
|   | A-1,1-A          |                  | <u>\$ 807,170.53</u>   |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations |           | Budget After<br>Modifications | Paid or<br>Charged | Expended | Reserved | Cancelled |
|--|----------------|-----------|-------------------------------|--------------------|----------|----------|-----------|
|  | Budget         | Emergency |                               |                    |          |          |           |
| GENERAL APPROPRIATIONS<br>Operations - Within "CAPS" | \$ 17,110.00   |           | \$ 17,110.00                  | \$ 17,108.98       | \$       | 1.02     |           |
| GENERAL GOVERNMENT                                   | 19,000.00      |           | 19,000.00                     | 18,936.25          |          | 63.75    |           |
| General Administration:                              |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 34,600.00      |           | 34,600.00                     | 34,599.96          |          | 0.04     |           |
| Other Expenses                                       | 1,600.00       |           | 1,600.00                      | 1,023.74           |          | 576.26   |           |
| Mayor and Council:                                   |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 19,000.00      |           | 10,900.00                     | 10,758.66          |          | 141.34   |           |
| Other Expenses                                       | 2,700.00       |           | 2,700.00                      | 2,675.26           |          | 24.74    |           |
| Municipal Clerk:                                     |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 98,770.00      |           | 98,770.00                     | 98,011.74          |          | 758.26   |           |
| Other Expenses                                       | 1,730.00       |           | 1,730.00                      | 1,231.11           |          | 498.89   |           |
| Financial Administration (Treasury):                 |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 17,000.00      |           | 17,000.00                     | 16,500.00          |          | 500.00   |           |
| Other Expenses                                       |                |           |                               |                    |          |          |           |
| Audit Services:                                      |                |           |                               |                    |          |          |           |
| Other Expenses                                       |                |           |                               |                    |          |          |           |
| Revenue Administration (Tax Collection):             |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 17,050.00      |           | 17,050.00                     | 17,049.94          |          | 0.06     |           |
| Other Expenses                                       | 2,700.00       |           | 2,700.00                      | 1,844.80           |          | 855.20   |           |
| Tax Assessment Administration:                       |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 17,300.00      |           | 17,300.00                     | 17,295.05          |          | 4.95     |           |
| Other Expenses                                       | 10,050.00      |           | 10,050.00                     | 9,329.11           |          | 720.89   |           |
| Legal Services (Legal Department):                   |                |           |                               |                    |          |          |           |
| Other Expenses                                       | 13,000.00      |           | 11,000.00                     | 9,751.71           |          | 1,248.29 |           |
| Office on Aging:                                     |                |           |                               |                    |          |          |           |
| Other Expenses                                       | 1,600.00       |           | 1,600.00                      | 1,475.00           |          | 125.00   |           |
| Engineering Services:                                |                |           |                               |                    |          |          |           |
| Other Expenses                                       | 6,000.00       |           | 4,000.00                      | 3,754.80           |          | 245.20   |           |
| Planning Board:                                      |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 4,450.00       |           | 4,450.00                      | 4,449.81           |          | 0.19     |           |
| Other Expenses                                       | 5,800.00       |           | 5,800.00                      | 5,353.00           |          | 447.00   |           |
| Zoning Board of Adjustment:                          |                |           |                               |                    |          |          |           |
| Salaries and Wages                                   | 50,150.00      |           | 56,150.00                     | 55,196.80          |          | 953.20   |           |
| Other Expenses                                       | 1,100.00       |           | 1,100.00                      | 687.17             |          | 412.83   |           |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations |           | Budget After<br>Modifications | Expended           |           | Cancelled |
|--|----------------|-----------|-------------------------------|--------------------|-----------|-----------|
|  | Budget         | Emergency |                               | Paid or<br>Charged | Reserved  |           |
| <b>GENERAL APPROPRIATIONS</b>              |                |           |                               |                    |           |           |
| Operations - Within "CAPS"                 |                |           |                               |                    |           |           |
| Insurance:                                 |                |           |                               |                    |           |           |
| Other Insurance:                           |                |           |                               |                    |           |           |
| Other Expenses                             | 35,310.00      |           | 35,310.00                     | 34,316.81          | 993.19    |           |
| Workers Compensation Insurance:            |                |           |                               |                    |           |           |
| Other Expenses                             | 85,609.00      |           | 85,609.00                     | 85,609.00          |           |           |
| Employee Group Insurance:                  |                |           |                               |                    |           |           |
| Other Expenses                             | 390,000.00     |           | 396,200.00                    | 395,908.65         | 291.35    |           |
| Health Benefit Waiver                      | 35,000.00      |           | 35,000.00                     | 34,192.13          | 807.87    |           |
| General Liability:                         |                |           |                               |                    |           |           |
| Other Expenses                             | 59,000.00      |           | 59,000.00                     | 59,000.00          |           |           |
| Computerized Data Processing:              |                |           |                               |                    |           |           |
| Other Expenses                             | 14,000.00      |           | 14,000.00                     | 13,741.84          | 258.16    |           |
| <b>PUBLIC SAFETY</b>                       |                |           |                               |                    |           |           |
| Police Department:                         |                |           |                               |                    |           |           |
| Salaries and Wages                         | 1,599,000.00   |           | 1,599,000.00                  | 1,589,999.52       | 9,000.48  |           |
| Other Expenses                             | 69,200.00      |           | 73,200.00                     | 72,756.21          | 443.79    |           |
| Office of Emergency Management:            |                |           |                               |                    |           |           |
| Other Expenses                             | 500.00         |           | 500.00                        | 355.30             | 144.70    |           |
| Fire Prevention:                           |                |           |                               |                    |           |           |
| Salaries and Wages                         | 17,000.00      |           | 14,000.00                     | 13,972.00          | 28.00     |           |
| Other Expenses                             | 3,070.00       |           | 6,070.00                      | 5,493.64           | 576.36    |           |
| Municipal Prosecutor's Office:             |                |           |                               |                    |           |           |
| Salaries and Wages                         | 9,310.00       |           | 9,310.00                      | 9,308.03           | 1.97      |           |
| <b>STREETS AND ROADS</b>                   |                |           |                               |                    |           |           |
| Streets and Roads Maintenance:             |                |           |                               |                    |           |           |
| Salaries and Wages                         | 130,700.00     |           | 134,700.00                    | 132,152.86         | 2,547.14  |           |
| Other Expenses                             | 20,800.00      |           | 20,800.00                     | 20,496.16          | 303.84    |           |
| Building and Grounds:                      |                |           |                               |                    |           |           |
| Other Expenses                             | 20,000.00      |           | 20,000.00                     | 19,927.96          | 72.04     |           |
| <b>SANITATION</b>                          |                |           |                               |                    |           |           |
| Solid Waste Collection:                    |                |           |                               |                    |           |           |
| Other Expenses                             | 102,000.00     |           | 102,000.00                    | 100,629.00         | 1,371.00  |           |
| Community Services Act (Condominium Costs) | 60,000.00      |           | 60,000.00                     |                    | 60,000.00 |           |
| Landlord Trash Reimbursement               | 26,000.00      |           | 26,000.00                     | 10,444.38          | 15,555.62 |           |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations |           |                            | Expended        |          | Cancelled |
|--|----------------|-----------|----------------------------|-----------------|----------|-----------|
|  | Budget         | Emergency | Budget After Modifications | Paid or Charged | Reserved |           |
| <b>GENERAL APPROPRIATIONS</b>            |                |           |                            |                 |          |           |
| Operations - Within "CAPS"               |                |           |                            |                 |          |           |
| GENERAL GOVERNMENT                       |                |           |                            |                 |          |           |
| General Administration:                  |                |           |                            |                 |          |           |
| Salaries and Wages                       | \$ 17,110.00   |           | \$ 17,110.00               | \$ 17,108.96    | \$ 1.02  |           |
| Other Expenses                           | 19,000.00      |           | 19,000.00                  | 18,936.25       | 63.75    |           |
| Mayor and Council:                       |                |           |                            |                 |          |           |
| Salaries and Wages                       | 34,600.00      |           | 34,600.00                  | 34,599.96       | 0.04     |           |
| Other Expenses                           | 1,600.00       |           | 1,600.00                   | 1,023.74        | 576.26   |           |
| Municipal Clerk:                         |                |           |                            |                 |          |           |
| Salaries and Wages                       | 19,000.00      |           | 19,000.00                  | 10,758.66       | 141.34   |           |
| Other Expenses                           | 2,700.00       |           | 2,700.00                   | 2,675.26        | 24.74    |           |
| Financial Administration (Treasury):     |                |           |                            |                 |          |           |
| Salaries and Wages                       | 98,770.00      |           | 98,770.00                  | 98,011.74       | 758.26   |           |
| Other Expenses                           | 1,730.00       |           | 1,730.00                   | 1,231.11        | 498.89   |           |
| Audit Services:                          |                |           |                            |                 |          |           |
| Other Expenses                           | 17,000.00      |           | 17,000.00                  | 16,500.00       | 500.00   |           |
| Revenue Administration (Tax Collection): |                |           |                            |                 |          |           |
| Salaries and Wages                       | 17,050.00      |           | 17,050.00                  | 17,049.94       | 0.06     |           |
| Other Expenses                           | 2,700.00       |           | 2,700.00                   | 1,844.80        | 855.20   |           |
| Tax Assessment Administration:           |                |           |                            |                 |          |           |
| Salaries and Wages                       | 17,300.00      |           | 17,300.00                  | 17,295.05       | 4.95     |           |
| Other Expenses                           | 10,050.00      |           | 10,050.00                  | 9,329.11        | 720.89   |           |
| Legal Services (Legal Department):       |                |           |                            |                 |          |           |
| Other Expenses                           | 13,000.00      |           | 11,000.00                  | 9,751.71        | 1,248.29 |           |
| Office on Aging:                         |                |           |                            |                 |          |           |
| Other Expenses                           | 1,600.00       |           | 1,600.00                   | 1,475.00        | 125.00   |           |
| Engineering Services:                    |                |           |                            |                 |          |           |
| Other Expenses                           | 6,000.00       |           | 4,000.00                   | 3,754.80        | 245.20   |           |
| Planning Board:                          |                |           |                            |                 |          |           |
| Salaries and Wages                       | 4,450.00       |           | 4,450.00                   | 4,449.81        | 0.19     |           |
| Other Expenses                           | 5,800.00       |           | 5,800.00                   | 5,353.00        | 447.00   |           |
| Zoning Board of Adjustment:              |                |           |                            |                 |          |           |
| Salaries and Wages                       | 50,150.00      |           | 56,150.00                  | 55,196.80       | 953.20   |           |
| Other Expenses                           | 1,100.00       |           | 1,100.00                   | 687.17          | 412.83   |           |

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations |           | Budget After<br>Modifications | Expended           |           | Cancelled |
|--|----------------|-----------|-------------------------------|--------------------|-----------|-----------|
|  | Budget         | Emergency |                               | Paid or<br>Charged | Reserved  |           |
| <b>GENERAL APPROPRIATIONS</b>              |                |           |                               |                    |           |           |
| Operations - Within "CAPS"                 |                |           |                               |                    |           |           |
| Insurance:                                 |                |           |                               |                    |           |           |
| Other Insurance:                           |                |           |                               |                    |           |           |
| Other Expenses                             | 35,310.00      |           | 35,310.00                     | 34,316.81          | 993.19    |           |
| Workers Compensation Insurance:            |                |           |                               |                    |           |           |
| Other Expenses                             | 85,609.00      |           | 85,609.00                     | 85,609.00          |           |           |
| Employee Group Insurance:                  |                |           |                               |                    |           |           |
| Other Expenses                             | 390,000.00     |           | 396,200.00                    | 395,908.65         | 291.35    |           |
| Health Benefit Waiver                      | 35,000.00      |           | 35,000.00                     | 34,192.13          | 807.87    |           |
| General Liability:                         |                |           |                               |                    |           |           |
| Other Expenses                             | 59,000.00      |           | 59,000.00                     | 59,000.00          |           |           |
| Computerized Data Processing:              |                |           |                               |                    |           |           |
| Other Expenses                             | 14,000.00      |           | 14,000.00                     | 13,741.84          | 258.16    |           |
| <b>PUBLIC SAFETY</b>                       |                |           |                               |                    |           |           |
| Police Department:                         |                |           |                               |                    |           |           |
| Salaries and Wages                         | 1,599,000.00   |           | 1,599,000.00                  | 1,589,999.52       | 9,000.48  |           |
| Other Expenses                             | 69,200.00      |           | 73,200.00                     | 72,756.21          | 443.79    |           |
| Office of Emergency Management:            |                |           |                               |                    |           |           |
| Other Expenses                             | 500.00         |           | 500.00                        | 355.30             | 144.70    |           |
| Fire Prevention:                           |                |           |                               |                    |           |           |
| Salaries and Wages                         | 17,000.00      |           | 14,000.00                     | 13,972.00          | 28.00     |           |
| Other Expenses                             | 3,070.00       |           | 6,070.00                      | 5,493.64           | 576.36    |           |
| Municipal Prosecutor's Office:             |                |           |                               |                    |           |           |
| Salaries and Wages                         | 9,310.00       |           | 9,310.00                      | 9,308.03           | 1.97      |           |
| <b>STREETS AND ROADS</b>                   |                |           |                               |                    |           |           |
| Streets and Roads Maintenance:             |                |           |                               |                    |           |           |
| Salaries and Wages                         | 130,700.00     |           | 134,700.00                    | 132,152.86         | 2,547.14  |           |
| Other Expenses                             | 20,800.00      |           | 20,800.00                     | 20,496.16          | 303.84    |           |
| Building and Grounds:                      |                |           |                               |                    |           |           |
| Other Expenses                             | 20,000.00      |           | 20,000.00                     | 19,927.96          | 72.04     |           |
| <b>SANITATION</b>                          |                |           |                               |                    |           |           |
| Solid Waste Collection:                    |                |           |                               |                    |           |           |
| Other Expenses                             | 102,000.00     |           | 102,000.00                    | 100,629.00         | 1,371.00  |           |
| Community Services Act (Condominium Costs) | 60,000.00      |           | 60,000.00                     |                    | 60,000.00 |           |
| Landlord Trash Reimbursement               | 26,000.00      |           | 26,000.00                     | 10,444.38          | 15,555.62 |           |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations      |           | Budget After<br>Modifications | Expended            |                   | Cancelled |
|--|---------------------|-----------|-------------------------------|---------------------|-------------------|-----------|
|  | Budget              | Emergency |                               | Paid or<br>Charged  | Reserved          |           |
| <b>GENERAL APPROPRIATIONS</b>  |                     |           |                               |                     |                   |           |
| Operations - Within "CAPS"   |                     |           |                               |                     |                   |           |
| HEALTH AND WELFARE   |                     |           |                               |                     |                   |           |
| Public Health Services (Board of Health):  |                     |           |                               |                     |                   |           |
| Salaries and Wages   | 3,290.00            |           | 3,290.00                      | 3,287.50            | 2.50              |           |
| Other Expenses   | 25,650.00           |           | 25,650.00                     | 25,366.80           | 283.20            |           |
| Animal Control Services:   |                     |           |                               |                     |                   |           |
| Salaries and Wages   | 14,975.00           |           | 14,975.00                     | 13,070.00           | 1,905.00          |           |
| MUNICIPAL COURT  |                     |           |                               |                     |                   |           |
| Salaries and Wages   | 80,800.00           |           | 80,800.00                     | 76,017.14           | 4,782.86          |           |
| Other Expenses   | 5,050.00            |           | 5,450.00                      | 5,340.23            | 109.77            |           |
| Public Defender (P.L. 1997, c.256):  |                     |           |                               |                     |                   |           |
| Salaries and Wages   | 1,500.00            |           | 1,500.00                      | 1,500.00            |                   |           |
| UNCLASSIFIED   |                     |           |                               |                     |                   |           |
| Electricity  | 37,000.00           |           | 29,000.00                     | 25,017.42           | 3,982.58          |           |
| Street Lighting  | 58,000.00           |           | 53,000.00                     | 46,008.37           | 6,991.63          |           |
| Telephone (excluding equipment acquisition)  | 23,000.00           |           | 24,000.00                     | 23,994.39           | 5.61              |           |
| Gas (natural or propane)   | 16,000.00           |           | 13,000.00                     | 9,882.88            | 3,117.12          |           |
| Sewerage Processing and Disposal   | 5,500.00            |           | 6,000.00                      | 5,166.61            | 833.39            |           |
| <b>Total Operations - Within "CAPS"</b>  | <b>3,287,974.00</b> |           | <b>3,281,974.00</b>           | <b>3,159,987.72</b> | <b>121,986.28</b> |           |
| Detail:  |                     |           |                               |                     |                   |           |
| Salaries and Wages   | 2,115,005.00        |           | 2,113,905.00                  | 2,093,777.99        | 20,127.01         |           |
| Other Expenses   | 1,172,969.00        |           | 1,168,069.00                  | 1,066,209.73        | 101,859.27        |           |
| Deferred Charges and Statutory Expenditures -<br>Municipal - Within "CAPS"               |                     |           |                               |                     |                   |           |
| STATUTORY EXPENDITURES   |                     |           |                               |                     |                   |           |
| Contribution To:   |                     |           |                               |                     |                   |           |
| Public Employees' Retirement System  | 96,873.00           |           | 96,873.00                     | 96,873.00           |                   |           |
| Social Security System (O.A.S.I.)  | 170,000.00          |           | 170,000.00                    | 165,661.15          | 4,338.85          |           |
| Police and Firemen's Retirement System   | 309,900.00          |           | 309,900.00                    | 309,900.00          |                   |           |
| <b>Total Deferred Charges and Statutory<br/>Expenditures - Municipal - Within "CAPS"</b> | <b>576,773.00</b>   |           | <b>576,773.00</b>             | <b>572,434.15</b>   | <b>4,338.85</b>   |           |
| <b>Total General Appropriations for Municipal<br/>Purposes - Within "CAPS"</b>           | <b>3,864,747.00</b> |           | <b>3,858,747.00</b>           | <b>3,732,421.87</b> | <b>126,325.13</b> |           |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|   | Appropriations |              | Budget After<br>Modifications | Expended           |           | Cancelled |
|---|----------------|--------------|-------------------------------|--------------------|-----------|-----------|
|   | Budget         | Emergency    |                               | Paid or<br>Charged | Reserved  |           |
| GENERAL APPROPRIATIONS<br>Operations - Excluded From "CAPS"     |                |              |                               |                    |           |           |
| Police Dispatch#911:  |                |              |                               |                    |           |           |
| Salaries and Wages  | 227,500.00     |              | 229,500.00                    | 228,463.53         | 1,036.47  |           |
| Other Expenses  | 47,400.00      |              | 47,400.00                     | 47,340.81          | 59.19     |           |
| LOSAP   | 8,000.00       |              | 8,000.00                      |                    | 8,000.00  |           |
| Emergency   |                | \$ 50,000.00 | 50,000.00                     | 50,000.00          |           |           |
| Health Medical Insurance: O/S Cap                               | 20,000.00      |              | 20,000.00                     | 20,000.00          |           |           |
| Recycling Tax   | 5,500.00       |              | 5,500.00                      | 4,701.90           | 798.10    |           |
| Public Library:   |                |              |                               |                    |           |           |
| Other Expenses  | 166,299.00     |              | 166,299.00                    | 162,113.64         | 4,185.36  |           |
| NJPDES/Stormwater N.J.S.A. 40A:4-45.39(cc):<br>Public Works S&W | 18,000.00      |              | 18,000.00                     | 18,000.00          |           |           |
| Total Other Operations - Excluded from "CAPS"                   | 492,699.00     | 50,000.00    | 544,699.00                    | 530,619.88         | 14,079.12 |           |
| Interlocal Municipal Service Agreements:                        |                |              |                               |                    |           |           |
| Middlesex County:   |                |              |                               |                    |           |           |
| Gasoline  | 42,000.00      |              | 46,000.00                     | 35,720.66          | 10,279.34 |           |
| MCUA Solid Waste  | 111,000.00     |              | 111,000.00                    | 93,549.23          | 17,450.77 |           |
| MCIA Recycling  | 68,000.00      |              | 68,000.00                     | 55,615.82          | 12,384.18 |           |
| Total Interlocal Municipal Service Agreements                   | 221,000.00     |              | 225,000.00                    | 184,885.71         | 40,114.29 |           |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|   | Appropriations    |                  | Budget After<br>Modifications | Expended           |                  | Cancelled |
|---|-------------------|------------------|-------------------------------|--------------------|------------------|-----------|
|   | Budget            | Emergency        |                               | Paid or<br>Charged | Reserved         |           |
| <b>GENERAL APPROPRIATIONS</b>                               |                   |                  |                               |                    |                  |           |
| Operations - Excluded From "CAPS"                           |                   |                  |                               |                    |                  |           |
| <b>ADDITIONAL APPROPRIATIONS</b>                            |                   |                  |                               |                    |                  |           |
| OFFSET BY REVENUES  |                   |                  |                               |                    |                  |           |
| First Aid Third Party Billing                               | 56,381.00         |                  | 56,381.00                     | 56,378.25          | 2.75             |           |
| Total Additional Appropriations Offset By Revenues          | 56,381.00         |                  | 56,381.00                     | 56,378.25          | 2.75             |           |
| <b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>       |                   |                  |                               |                    |                  |           |
| SFSP Fire District Payment                                  | 1,876.00          |                  | 1,876.00                      | 1,876.00           |                  |           |
| Body Armor Fund   | 1,607.70          |                  | 1,607.70                      | 1,607.70           |                  |           |
| Clean Communities Program                                   | 7,597.57          |                  | 7,597.57                      | 7,597.57           |                  |           |
| Recycling Tonnage Grant                                     | 5,157.69          |                  | 5,157.69                      | 5,157.69           |                  |           |
| Drunk Driving Enforcement Fund                              | 8,800.00          |                  | 8,800.00                      | 8,800.00           |                  |           |
| <b>Total Public and Private Programs Offset By Revenues</b> | <b>25,038.96</b>  |                  | <b>25,038.96</b>              | <b>25,038.96</b>   |                  |           |
| <b>Total Operations - Excluded From "CAPS"</b>              | <b>795,118.96</b> | <b>50,000.00</b> | <b>851,118.96</b>             | <b>796,922.80</b>  | <b>54,196.16</b> |           |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | Appropriations  |              | Budget After<br>Modifications | Expended           |               | Cancelled |
|--|-----------------|--------------|-------------------------------|--------------------|---------------|-----------|
|  | Budget          | Emergency    |                               | Paid or<br>Charged | Reserved      |           |
| <b>GENERAL APPROPRIATIONS</b>  |                 |              |                               |                    |               |           |
| Operations - Excluded From "CAPS"  |                 |              |                               |                    |               |           |
| Detail:  |                 |              |                               |                    |               |           |
| Salaries and Wages   | 245,500.00      |              | 247,500.00                    | 246,463.53         | 1,036.47      |           |
| Other Expenses   | 549,618.96      | 50,000.00    | 603,618.96                    | 550,459.27         | 53,159.69     |           |
| Capital Improvements - Excluded From "CAPS"                                |                 |              |                               |                    |               |           |
| Capital Improvement Fund   | 65,000.00       |              | 65,000.00                     | 65,000.00          |               |           |
| Total Capital Improvements - Excluded From "CAPS"                          | 65,000.00       |              | 65,000.00                     | 65,000.00          |               |           |
| Total General Appropriations for Municipal Purposes - Excluded From "CAPS" | 860,118.96      | 50,000.00    | 916,118.96                    | 881,922.80         | 54,196.16     |           |
| Subtotal General Appropriations  | 4,724,865.96    | 50,000.00    | 4,774,865.96                  | 4,594,344.67       | 180,521.29    |           |
| Reserve for Uncollected Taxes  | 294,359.40      |              | 294,359.40                    | 294,359.40         |               |           |
| Total General Appropriations   | \$ 5,019,225.36 | \$ 50,000.00 | \$ 5,069,225.36               | \$ 4,888,704.07    | \$ 180,521.29 | \$ 0.00   |
|  |                 | A-3          | A-3                           |                    | A             | A-3       |
| Budget as Adopted  | \$ 5,010,425.36 |              |                               |                    |               |           |
| Added By N.J.S. 40A:4-87   | 8,800.00        |              |                               |                    |               |           |
|  | \$ 5,019,225.36 |              |                               |                    |               |           |
| Reserve for Uncollected Taxes  |                 |              |                               | \$ 294,359.40      |               |           |
| Cash Disbursements   |                 |              |                               | 4,560,512.61       |               |           |
| Encumbrances Payable   |                 |              |                               | 10,669.10          |               |           |
| State and Federal Grants - Appropriated                                    |                 |              |                               | 23,162.96          |               |           |
|  |                 |              |                               | \$ 4,888,704.07    |               |           |

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

TRUST FUND

EXHIBIT

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

| Assets                             | Reference | 2012          | 2011          | Liabilities and Reserves           | Reference | 2012              | 2011              |
|------------------------------------|-----------|---------------|---------------|------------------------------------|-----------|-------------------|-------------------|
| Animal Control Trust Fund:         |           |               |               |                                    |           |                   |                   |
| Cash and Investments - Treasurer   | 1-B       | \$ 124.63     | \$ 274.98     | Animal Control Trust Fund:         |           |                   |                   |
|                                    |           |               |               | Reserve for Animal Control Fund    |           |                   |                   |
|                                    |           |               |               | Expenditures                       | 3-B       | \$ 112.03         | \$ 262.38         |
|                                    |           |               |               | Due To State of New Jersey         | 2-B       | 12.60             | 12.60             |
|                                    |           |               |               |                                    |           | <u>124.63</u>     | <u>274.98</u>     |
| Trust - Other Fund:                |           |               |               | Trust - Other Fund:                |           |                   |                   |
| Cash and Investments - Treasurer   | 1-B       | 195,465.91    | 140,534.17    | Due To Current Fund                | 4-B       | 686.06            | 10.79             |
|                                    |           |               |               | Various Reserves                   | 5-B       | 194,779.85        | 140,523.38        |
|                                    |           |               |               |                                    |           | <u>195,465.91</u> | <u>140,534.17</u> |
| Payroll Agency Trust Fund:         |           |               |               | Payroll Agency Trust Fund:         |           |                   |                   |
| Cash and Investments - Treasurer   | 1-B       | 1,012.39      | 79.81         | Payroll Deductions Payable         | 6-B       | 1,012.39          | 79.81             |
|                                    |           |               |               |                                    |           |                   |                   |
| Unemployment Insurance Trust Fund: |           |               |               | Unemployment Insurance Trust Fund: |           |                   |                   |
| Cash and Investments - Treasurer   | 1-B       | 4,683.04      | 4,181.31      | Reserve for Unemployment Insurance |           |                   |                   |
|                                    |           |               |               | Claims                             | 7-B       | 4,683.04          | 4,181.31          |
|                                    |           |               |               |                                    |           |                   |                   |
| Length of Service Award Program    |           |               |               | Length of Service Award Program    |           |                   |                   |
| Fund ("LOSAP") - Unaudited:        |           |               |               | Fund ("LOSAP") - Unaudited:        |           |                   |                   |
| Investments                        | 8-B       | 51,763.18     | 49,939.67     | Miscellaneous Reserves             | 10-B      | 51,763.18         | 49,939.67         |
|                                    |           |               |               |                                    |           |                   |                   |
| Total Assets                       |           | \$ 253,049.15 | \$ 195,009.94 | Total Liabilities and Reserves     |           | \$ 253,049.15     | \$ 195,009.94     |

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

GENERAL CAPITAL FUND  
EXHIBITS

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

| <u>Assets</u>                       | <u>Reference</u> | <u>2012</u>          | <u>2011</u>          | <u>Liabilities, Reserves and Fund Balance</u>       | <u>Reference</u> | <u>2012</u>          | <u>2011</u>          |
|-------------------------------------|------------------|----------------------|----------------------|---|------------------|----------------------|----------------------|
| Cash                                |                  |                      |                      | Improvement Authorizations:<br>Funded               | 4-C              | \$ 953,421.51        | \$ 908,587.52        |
| Due From Sewer Utility Capital Fund | 1-C,2-C          | \$ 541,333.82        | \$ 470,045.89        | Due To Current Fund                                 | 5-C              | 37.06                | 32.40                |
| Grants Receivable                   | 8-C              |                      | 38,282.00            | Reserve for:  |                  |                      |                      |
|                                     | 3-C              | 433,040.91           | 421,208.19           | Capital Improvement Fund                            | 6-C              | 768.68               | 768.68               |
|                                     |                  |                      |                      | Developer Contribution                              | 7-C              | 20,000.00            | 20,000.00            |
|                                     |                  |                      |                      | Fund Balance  | C-1              | 147.48               | 147.48               |
| <b>Total Assets</b>                 |                  | <b>\$ 974,374.73</b> | <b>\$ 929,536.08</b> | <b>Total Liabilities, Reserves and Fund Balance</b> |                  | <b>\$ 974,374.73</b> | <b>\$ 929,536.08</b> |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

Reference

|                                     |   |                  |
|-------------------------------------|---|------------------|
| Balance, December 31, 2012 and 2011 | C | <u>\$ 147.48</u> |
|-------------------------------------|---|------------------|

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

SEWER UTILITY FUND

EXHIBITS

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

| Assets   | Reference | 2012            | 2011            | Liabilities, Reserves and Fund Balance       | Reference | 2012            | 2011            |
|--|-----------|-----------------|-----------------|--|-----------|-----------------|-----------------|
| Operating Fund:                                  |           |                 |                 |  |           |                 |                 |
| Cash - Treasurer                                 | 1-D       | \$ 57,566.38    | \$ 106,608.38   | Operating Fund:                              |           |                 |                 |
| Due From Sewer Utility Capital Fund              | 6-D       | 3.51            | 66.48           | Liabilities:                                 |           |                 |                 |
|  |           | 57,569.89       | 106,674.86      | Appropriation Reserves                       | D-3,5-D   | \$ 12,727.93    | \$ 10,347.00    |
| Receivables With Offsetting Reserves:            |           |                 |                 |  |           |                 |                 |
| Sewer Rents Receivable                           | 3-D       | 85,739.98       | 84,598.08       | Reserve for Receivables                      | D         | 93,806.49       | 92,664.59       |
| Due From Former Treasurer and/or Bonding Company | 4-D       | 8,066.51        | 8,066.51        | Fund Balance                                 | D-1       | 44,841.96       | 96,327.86       |
|  |           | 93,806.49       | 92,664.59       |  |           | 138,648.45      | 188,992.45      |
| Total Operating Fund                             |           | 151,376.38      | 199,339.45      | Total Operating Fund                         |           | 151,376.38      | 199,339.45      |
| Capital Fund:                                    |           |                 |                 | Capital Fund:                                |           |                 |                 |
| Cash   | 1-D,2-D   | 51,876.56       | 54.03           | Improvement Authorizations - Funded          | 9-D       | 87,461.80       | 107,160.55      |
| Fixed Capital                                    | 7-D       | 756,608.20      | 736,909.45      | Due To:                                      |           |                 |                 |
| Fixed Capital Authorized and Uncompleted         | 8-D       | 87,461.80       | 107,160.55      | General Capital Fund                         | 14-D      |                 | 38,282.00       |
| EPA Grants Receivable                            | 15-D      | 36,133.75       | 146,000.00      | Sewer Utility Operating fund                 | 13-D      | 3.51            | 66.48           |
|  |           | 932,080.31      | 990,124.03      | Reserve for Amortization                     | 11-D      | 756,608.20      | 736,909.45      |
| Total Capital Fund                               |           | 932,080.31      | 990,124.03      | Deferred Reserve for Amortization            | 12-D      | 87,461.80       | 107,160.55      |
| Total Assets                                     |           | \$ 1,083,456.69 | \$ 1,189,463.48 | Capital Improvement Fund                     | 10-D      | 545.00          | 545.00          |
|  |           |                 |                 | Total Capital Fund                           |           | 932,080.31      | 990,124.03      |
|  |           |                 |                 | Total Liabilities, Reserves and Fund Balance |           | \$ 1,083,456.69 | \$ 1,189,463.48 |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -  
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2012 and 2011

|                                       | <u>Reference</u> | <u>2012</u>         | <u>2011</u>         |
|---------------------------------------|------------------|---------------------|---------------------|
| Revenue and Other Income Realized:    |                  |                     |                     |
| Fund Balance Anticipated              | D-2              | \$ 60,000.00        | \$ 32,000.00        |
| Sewer Rents                           | D-2              | 823,919.35          | 832,790.20          |
| Other:                                |                  |                     |                     |
| Miscellaneous Revenue Not Anticipated | D-2              | 10,019.19           | 12,608.73           |
| Appropriation Reserves Lapsed         | 5-D              | <u>4,575.56</u>     | <u>10,202.16</u>    |
| Total Revenues                        |                  | <u>898,514.10</u>   | <u>887,601.09</u>   |
| Expenditures:                         |                  |                     |                     |
| Budget Appropriations:                |                  |                     |                     |
| Operating                             | D-3              | <u>890,000.00</u>   | <u>792,000.00</u>   |
| Total Expenditures                    |                  | <u>890,000.00</u>   | <u>792,000.00</u>   |
| Excess in Revenue                     |                  | 8,514.10            | 95,601.09           |
| Fund Balance, January 1               | D                | <u>96,327.86</u>    | <u>32,726.77</u>    |
|                                       |                  | 104,841.96          | 128,327.86          |
| Decreased By:                         |                  |                     |                     |
| Utilized as Anticipated Revenue       | D-1              | <u>60,000.00</u>    | <u>32,000.00</u>    |
| Fund Balance, December 31             | D                | <u>\$ 44,841.96</u> | <u>\$ 96,327.86</u> |

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

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|  | <u>Anticipated</u>          | <u>Realized</u>      | <u>Excess/<br/>(Deficit)</u> |
|--|-----------------------------|----------------------|------------------------------|
| Surplus Anticipated                    | \$ 60,000.00                | \$ 60,000.00         |                              |
| Sewer Rents                            | 830,000.00                  | 823,919.35           | \$ (6,080.65)                |
| Miscellaneous Revenue                  | <u>                    </u> | <u>10,019.19</u>     | <u>10,019.19</u>             |
|  | <u>\$ 890,000.00</u>        | <u>\$ 893,938.54</u> | <u>\$ 3,938.54</u>           |
|  | <u>Reference</u>            |                      |                              |
|  | D-3                         | D-1                  | D-2                          |
| Sewer Rents                            | 3-D                         | <u>\$ 823,919.35</u> |                              |
| Interest on Rents                      |                             | \$ 8,630.01          |                              |
| Interest on Investments                |                             | 40.74                |                              |
| Connection Fees                        |                             | 1,230.00             |                              |
| Miscellaneous                          |                             | <u>118.44</u>        |                              |
|  |                             | <u>\$ 10,019.19</u>  |                              |
| Cash                                   | 1-D                         | \$ 10,015.68         |                              |
| Due From Sewer Utility<br>Capital Fund | 6-D                         | <u>3.51</u>          |                              |
|  |                             | <u>\$ 10,019.19</u>  |                              |

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

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

|                    | <u>2012<br/>Budget</u> | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u>     |
|--------------------|------------------------|--------------------------------------|----------------------------|---------------------|
| Operating:         |                        |                                      |                            |                     |
| Salaries and Wages | \$ 153,800.00          | \$ 156,000.00                        | \$ 155,976.14              | \$ 23.86            |
| Other Expenses     | <u>736,200.00</u>      | <u>734,000.00</u>                    | <u>721,295.93</u>          | <u>12,704.07</u>    |
|                    | <u>\$ 890,000.00</u>   | <u>\$ 890,000.00</u>                 | <u>\$ 877,272.07</u>       | <u>\$ 12,727.93</u> |
| <u>Reference</u>   | D-2                    | D-3                                  | 1-D                        | D                   |

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

GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY  
 GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

| <u>Assets</u> | <u>Reference</u> | <u>2012</u>            | <u>2011</u>            | <u>Liabilities</u>          | <u>Reference</u> | <u>2012</u>            | <u>2011</u>            |
|---------------|------------------|------------------------|------------------------|-----------------------------|------------------|------------------------|------------------------|
| Land          | 1-E              | \$ 216,400.00          | \$ 216,400.00          |                             |                  |                        |                        |
| Buildings     | 1-E              | 508,000.00             | 508,000.00             |                             |                  |                        |                        |
| Equipment     | 1-E              | 1,098,062.72           | 1,095,109.72           |                             |                  |                        |                        |
| Improvements  | 1-E              | <u>81,522.00</u>       | <u>81,522.00</u>       | Investments in Fixed Assets | 1-E              | <u>\$ 1,903,984.72</u> | <u>\$ 1,901,031.72</u> |
| Total Assets  |                  | <u>\$ 1,903,984.72</u> | <u>\$ 1,901,031.72</u> | Total Liabilities           |                  | <u>\$ 1,903,984.72</u> | <u>\$ 1,901,031.72</u> |

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

The Borough of Jamesburg, County of Middlesex, New Jersey ("Borough") is governed under the Borough form of New Jersey government, Mayor and Council. The financial statements of the Borough include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit and are considered component units under GAAP. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

The accounting policies of the Borough conform to the accounting principles and practices applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The accompanying financial statements are presented in the format prescribed by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and are a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds:

Current Fund - is used to account for all revenues and expenditures applicable to the general operations of Borough departments.

General Trust Funds - are used to account for assets held by the Borough in a trustee capacity or as an agent for individuals and other governmental agencies. Funds held by the Borough which have restrictions placed on the use of such funds are recorded in the Trust Fund.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)
- B. Description of Funds (continued)

General Capital Fund - is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Sewer Utility Operating and Capital Funds - are used to account for sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the sewer utility to the general public be financed through user fees. Operations relating to the acquisition of sewer capital facilities are recorded within the Sewer Utility Capital Fund.

General Fixed Assets Account Group - The Borough has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land which is valued at estimated market value.

No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services differ in certain respects from GAAP applicable to local government units. The more significant differences follow.

A modified accrual basis of accounting is followed by the Borough. Modifications from the accrual basis follow:

Revenues

Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and federal grants for operating purposes are realized as revenues when anticipated in the Borough budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Borough which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Borough's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

Appropriation reserves are recorded at December 31 for unexpended appropriation balances except for amounts which, according to state statutes, may be cancelled by the governing body. The appropriation reserves are available to satisfy specific claims, commitments or contracts incurred during the preceding fiscal year. At the end of the succeeding fiscal year, the remaining unexpended balances lapse to fund balance through other credits to revenue.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Had the Borough's financial statements been prepared under generally accepted accounting principles, the encumbrance method of accounting would be followed for expenditures presently reflected on a paid or charged basis, appropriation reserves would not be recorded, revenues susceptible to accrual would have been reflected without offsetting reserves and inventories would not be reflected as expenditures at the time of purchase.

Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

D. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

E. Grants

Current Fund - State and federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs.

Trust Fund - State and federal grants and assistance awards are dedicated by rider in the Trust Fund. A receivable and corresponding spending reserve are recorded when the grant is awarded.

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

F. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Local Unit Tax Collector on or before May 13. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the tax collector.

G. Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved.

H. Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

I. Deferred Charges to Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Borough establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the Current Fund budget. As funds are raised, the deferred charges are reduced.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

Substantially, all Borough employees participate in the Public Employees' Retirement System ("PERS") and the Police and Fireman's Retirement System ("PFRS"). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plans are cost sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Borough is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Borough annually at an actuarially determinable rate for its required contribution.

| <u>Year</u> | <u>PERS</u>  | <u>PFRS</u>   |
|-------------|--------------|---------------|
| 2012        | \$ 96,873.00 | \$ 309,900.00 |
| 2011        | 94,592.00    | 353,389.00    |
| 2010        | 83,249.00    | 288,315.00    |

Under the provisions of Chapter 78, P.L. 2011, employee pension contribution rates increased during 2011 by the following amounts:

- For PERS members, the employee pension contribution rate increased from 5.5% to 6.5% of salary. An additional increase to be phased over the next 7 years will bring the total pension contribution rate to 7.5% of salary.
- For PERS Prosecutors Part members, the employee pension contribution rate increased from 8.5% to 10% of salary.
- For PFRS members, the employee pension contribution rate increased from 8.5% to 10% of salary.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans (continued)

For local government employees and State employees who are not paid through the State Centralized Payroll Unit or not reported on a biweekly payroll schedule, the increase was effective with the first payroll amount to be paid on or after October 1, 2011.

The second phase of the employee contribution increase from 6.5% to 7.5% applies to PERS members. This increase is to be phased in equally over a 7-year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July, 2018.

K. Volunteer Length of Service Award Plan

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Borough's volunteer First Aid squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member shall be \$500.00 per year of active emergency service, commencing with the year 2002.

Appropriations - Appropriations for the purpose of funding the Borough's LOSAP shall be included as a separate line item in the Borough's budget, commencing with the year 2002.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Borough for each active volunteer member shall be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Estimated Cost - The estimated cost of the program to the Borough has been calculated to be approximately \$9,000.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members in the program).

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") requires public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

- The market value of the collateral must equal 5 percent of the average daily balance of public funds; or
- If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)
- L. Deposits and Investments (continued)

Investments

New Jersey statutes establish the following securities as eligible for the investment of Borough funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Borough, or bonds or other obligations of school districts of which the Borough is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

Repurchase agreements (15.1(a)(8)) must comply with the following conditions:

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (c) The maturity of the agreement is not more than 30 days.
- (d) The underlying securities are purchased through a GUDPA bank.
- (e) A master repurchase agreement providing for the custody and security of collateral is executed.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

L Deposits and Investments (continued)

Investments (continued)

Local Government Investment Pools ("LGIP") (15.1(e)(2)) are subject to the following requirements:

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

Every local unit must have a Cash Management Plan ("Plan"); the Plan is subject to audit. In addition, when the Plan permits investments for more than one year, the investment must approximate the prospective use of funds. This primarily relates to U.S. securities and local bond issue purchases. The law also requires that cash management plans provide for the CFO to give the governing body a monthly report that summarizes:

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

The Borough is permitted to invest public funds in accordance with N.J.S.A. 40A:5-15.1. These investments include bonds or other obligations of the United States or obligations guaranteed by the United States, Government Money Market Mutual Funds, bond or other obligations of the Borough or bonds or other obligations of the school district, local government investment pools, and agreements for the repurchase of fully-collateralized securities, if purchased in accordance with N.J.S.A. 40A:5-15.1. The Borough is also permitted to invest Length of Service Award Program ("LOSAP") funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. These investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

M. Inventories of Supplies

The costs of inventories of supplies for all funds are recorded as expenditures at the time the individual items are purchased. The costs of inventories are not included on the various balance sheets.

N. Basic Financial Statements

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The Borough presents the financial statements listed in the Table of Contents which are required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the Table of Contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

2. Deposits and Investments

The Borough considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

A. Deposits

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation ("FDIC"), Securities Investor Protection Corporation ("SIPC") or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. GUDPA requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances at December 31, 2012 and 2011 are insured up to \$250,000.00 in the aggregate by the FDIC for each bank. At December 31, 2012 and 2011, the book value of the Borough's deposits were \$2,159,409.99 and \$1,378,373.48, respectively.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments (continued)

A. Deposits (continued)

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Borough deposits might not be recovered. Although the Borough does not have a formal policy for custodial credit risk, NJSA 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act,, the First \$250,000.00 of governmental deposits in each insured depository is protected by the 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.

At December 31, 2012 and 2011, the Borough's bank balances of \$2,181,979.75 and \$1,433,456.54, respectively, were exposed to Custodial Credit Risk as follows:

|                                | <u>2012</u>            | <u>2011</u>            |
|--------------------------------|------------------------|------------------------|
| Insured                        | \$ 2,085,713.15        | \$ 1,405,884.88        |
| Uninsured and Uncollateralized | <u>96,266.60</u>       | <u>27,571.66</u>       |
|                                | <u>\$ 2,181,979.75</u> | <u>\$ 1,433,456.54</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments (continued)

B. Investments

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, Local Government investment pools, and agreements for the repurchase of fully-collateralized securities, of transacted in accordance with N.J.S.A. 40A:5-15.1(8a-8e). In addition, the Borough is permitted to invest LOSAP funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. LOSAP investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Borough does not have a policy for Custodial Risk. As of December 31, 2012 and 2011, \$51,763.18 and \$49,939.67, respectively, of the Borough's investments was exposed to Custodial Credit Risk, as follows:

|  | <u>Fair<br/>Value<br/>(LOSAP)</u> | <u>Book<br/>Value</u> | <u>Total<br/>Reported<br/>Value</u> |
|--|-----------------------------------|-----------------------|-------------------------------------|
| 2012:  |                                   |                       |                                     |
| Uninsured and Collateralized:  |                                   |                       |                                     |
| Collateral held by pledging financial<br>Institution's Trust Department but<br>not in the Borough's name | <u>\$ 51,763.18</u>               | <u>\$ 51,763.18</u>   | <u>\$ 51,763.18</u>                 |
| 2011:  |                                   |                       |                                     |
| Uninsured and Collateralized:  |                                   |                       |                                     |
| Collateral held by pledging financial<br>Institution's Trust Department but<br>not in the Borough's name | <u>\$ 49,939.67</u>               | <u>\$ 49,939.67</u>   | <u>\$ 49,939.67</u>                 |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments (continued)

B. Investments (continued)

Interest Rate Risk

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments as noted above (N.J.S.A. 40A:5-15.1). The Borough does not have an investment policy that further limits its investment choices.

The fair values of the above-listed investments were based on quoted market prices.

Interest earned in the General Capital Fund, Assessment trust Fund, Animal Control Fund and certain other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting. Interest earned in the Utility Capital Funds and Utility Assessment Trust Funds are assigned to the Utility Operating Funds in accordance with the regulatory basis of accounting.

3. Interfund Balances and Activity

Balances due to/from other funds at December 31, 2012 consist of the following:

|                     |  |
|---------------------|--|
| \$ 686.06           | Due to Current Fund from Other Trust Fund<br>representing interest income.                           |
| 37.06               | Due to Current Fund from General Capital Fund<br>representing interest income.                       |
| 13,168.11           | Due to Current Fund from Grant Fund<br>representing cash advances.                                   |
| <u>3.51</u>         | Due to Sewer Utility Operating Fund from Sewer<br>Utility Capital Fund representing interest income. |
| <u>\$ 13,894.74</u> |  |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

4. Taxes and Utility Rents Receivable

Receivables at December 31, 2012 consisted of the following:

|                | <u>Current<br/>Fund</u>     | <u>Sewer<br/>Utility<br/>Fund</u> | <u>Total</u>         |
|----------------|-----------------------------|-----------------------------------|----------------------|
| Property Taxes | \$ 276,033.51               |                                   | \$ 276,033.51        |
| Utility Rents  | <u>                    </u> | \$ 85,739.98                      | <u>85,739.98</u>     |
|                | <u>\$ 276,033.51</u>        | <u>\$ 85,739.98</u>               | <u>\$ 361,773.49</u> |

In 2012, the Borough collected \$268,624.05 and \$84,598.08 from delinquent taxes and utility rents, which represented 100% and 100% of the delinquent tax and sewer charges receivable at December 31, 2011.

Receivables at December 31, 2011 consisted of the following:

|                | <u>Current<br/>Fund</u>     | <u>Sewer<br/>Utility<br/>Fund</u> | <u>Total</u>         |
|----------------|-----------------------------|-----------------------------------|----------------------|
| Property Taxes | \$ 268,628.41               |                                   | \$ 268,628.41        |
| Utility Rents  | <u>                    </u> | \$ 84,598.08                      | <u>84,598.08</u>     |
|                | <u>\$ 268,628.41</u>        | <u>\$ 84,598.08</u>               | <u>\$ 353,226.49</u> |

In 2011, the Borough collected \$181,275.92 and \$90,504.56 from delinquent taxes and utility rents, which represented 100.00% and 100.00% of the delinquent tax and sewer charges receivable at December 31, 2010.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the years 2012 and 2011.

| <u>2012</u>  | Balance,<br>December 31,<br><u>2011</u> | <u>Additions</u>            | <u>Retirements</u>          | Balance,<br>December 31,<br><u>2012</u> |
|--------------|---|-----------------------------|-----------------------------|---|
| Land         | \$ 216,400.00                           |                             |                             | \$ 216,400.00                           |
| Buildings    | 508,000.00                              |                             |                             | 508,000.00                              |
| Equipment    | 1,095,109.72                            | \$ 28,981.00                | \$ 26,028.00                | 1,098,062.72                            |
| Improvements | <u>81,522.00</u>                        | <u>                    </u> | <u>                    </u> | <u>81,522.00</u>                        |
| Total        | <u>\$ 1,901,031.72</u>                  | <u>\$ 28,981.00</u>         | <u>\$ 26,028.00</u>         | <u>\$ 1,903,984.72</u>                  |

| <u>2011</u>  | Balance,<br>December 31,<br><u>2010</u> | <u>Additions/<br/>Transfers</u> | <u>Retirements/<br/>Transfers</u> | Balance,<br>December 31,<br><u>2011</u> |
|--------------|---|---------------------------------|-----------------------------------|---|
| Land         | \$ 216,400.00                           |                                 |                                   | \$ 216,400.00                           |
| Buildings    | 987,700.00                              |                                 | \$ 479,700.00                     | 508,000.00                              |
| Equipment    | 480,292.11                              | \$ 658,703.61                   | 43,886.00                         | 1,095,109.72                            |
| Improvements | <u>82,320.00</u>                        | <u>                    </u>     | <u>798.00</u>                     | <u>81,522.00</u>                        |
| Total        | <u>\$ 1,766,712.11</u>                  | <u>\$ 658,703.61</u>            | <u>\$ 524,384.00</u>              | <u>\$ 1,901,031.72</u>                  |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Long-Term Debt

The Borough had no long-term Bond debt issued at December 31, 2012.

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.00%.

|                            | <u>Gross Debt</u>      | <u>Deductions</u>      | <u>Net Debt</u> |
|----------------------------|------------------------|------------------------|-----------------|
| Local District School Debt | <u>\$ 3,515,000.00</u> | <u>\$ 3,515,000.00</u> | <u>\$ 0.00</u>  |

Net Debt \$0.00 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$491,022,626.00 = 0.00%.

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

|   |                         |
|---|-------------------------|
| 3.5% of Equalized Valuation Basis (Municipal) | \$ 17,185,791.91        |
| Less: Net Debt                                | <u>0.00</u>             |
| Remaining Borrowing Power                     | <u>\$ 17,185,791.91</u> |

Calculation of "Self-Liquidating Purposes"  
Sewer Utility per N.J.S.A. 40A:2-45

|   |                     |
|---|---------------------|
| Cash Receipts From Fees, Rents<br>or Other Charges for the Year | \$ 851,242.03       |
| Deductions:   |                     |
| Operating and Maintenance Costs                                 | <u>830,000.00</u>   |
| Excess/(Deficit) in Revenue                                     | <u>\$ 21,242.03</u> |

7. Bond Anticipation Notes

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

On December 31, 2012, the Borough had no Bond Anticipation Notes outstanding.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

8. Bonds and Notes Authorized But Not Issued

At December 31, 2012, the Borough of Jamesburg had no authorized but not issued bonds and notes.

9. Local District School Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough has elected to defer school taxes as follows:

|                          | <u>2012</u>          | <u>2011</u>           |
|--------------------------|----------------------|-----------------------|
| Balance of Tax           | \$ 3,560,948.00      | \$ 3,328,010.00       |
| Deferred                 | <u>3,355,000.00</u>  | <u>3,355,000.00</u>   |
| Tax (Receivable)/Payable | <u>\$ 205,948.00</u> | <u>\$ (26,990.00)</u> |

10. Fund Balance Appropriated

A. Current Fund

The fund balance at December 31, 2012 was \$879,575.19, of which \$800,000.00\* was appropriated and included as anticipated revenue for the year ended December 31, 2013.

B. Sewer Utility Operating Fund

The fund balance at December 31, 2012 was \$44,841.96, of which \$40,000.00\* was appropriated and included as anticipated revenue for the year ended December 31, 2013.

11. Deferred Charges to be Raised in Succeeding Years' Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges shown on the various balance sheets:

Current Fund:

|                         |                    |
|-------------------------|--------------------|
| Emergency Appropriation | <u>\$50,000.00</u> |
|-------------------------|--------------------|

\*Budget not adopted at time of Audit.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

12. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused sick pay. The Borough permits its Police Department employees to accumulate unused sick pay up to 500 hours at a rate of 100% of that individual's base pay. All other employees are capped at 35 days per personnel policy. This matter is being referred to the Borough's labor attorney for interpretation. The current cost of such unpaid compensation was estimated to be \$372,529.70 at December 31, 2012. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

13. Post-Employment Retirement Benefits

The Borough contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. On February 24, 1981, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number 78-2-24-81. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of credited service with the Borough. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly-available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

13. Post-Employment Retirement Benefits (continued)

A. Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions.

The Borough's contributions to SHBP for the years ended December 31, 2012, 2011 and 2010 were \$ 164,481.68, \$134,095.47, and \$121,504.75, respectively, which equaled the required contributions for each year. There were approximately 10, 9, and 9 retired participants eligible at December 31, 2012, 2011, and 2010, respectively.

14. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Borough has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2012 and 2011 totaled \$4,683.04 and \$4,181.31, respectively.

15. Risk Management

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Borough is a member of the Middlesex County Municipal Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The joint insurance fund will be self-sustaining through member premiums. The joint insurance fund participates in the Municipal Excess Liability Program which has a contract for excess liability insurance for property.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

16. Deferred Compensation Program

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Borough has engaged a private contractor to administer the Plan.

17. Length of Service Award Program ("LOSAP") - Unaudited

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Borough's volunteer First Aid Squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member shall be \$500.00 per year of active emergency service, commencing with the year 2002.

Appropriations - Appropriations for the purpose of funding the Borough's LOSAP shall be included as a separate line item in the Borough's budget, commencing with the year 2002.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Borough for each active volunteer member shall be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Criteria for Eligibility; Contributions; Points - Any active volunteer member shall eligible to participate in the LOSAP Plan immediately upon commencement of the member's performance of active voluntary services in the emergency service organization. Annual contributions shall only be made by the Borough, however, for those active volunteer members who have earned the minimum number of points for performing certain volunteer services on a yearly basis.

Determination as to Eligibility - Each emergency service organization shall provide to the Borough Administrator, acting as the Plan Administrator of LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Borough Council for approval, in accordance with the provisions of N.J.A.C. 5:30-14.10. The decision of the Borough Council as to such active member's eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

17. Length of Service Award Program ("LOSAP") – Unaudited (continued)

Terms of Participation - The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting - The active volunteer member shall not be permitted to receive a distribution of the fund in his or her LOSAP account until the completion of a five-year vesting period.

Termination of Service - Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the emergency service organization as an active volunteer member. Any active volunteer member who terminates service with the emergency service organization, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements - N.J.A.C. 5:30-14.49 requires that the Borough perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

18. Contingent Liabilities

A. State and Federal Grants

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2012, the Borough estimates that no material liabilities will result from such audits.

B. Pending Litigation

There are actions, which have been instituted against the Borough which are either in the discovery stage or whose final outcome cannot be determined at the present time. In the opinion of the administration, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Borough.

SUPPLEMENTARY SCHEDULES

CURRENT FUND  
SCHEDULES

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF CURRENT CASH - TREASURER

Year ended December 31, 2012

|  | <u>Reference</u>    |                   |                        |
|--|---------------------|-------------------|------------------------|
| Balance, December 31, 2011   | A                   |                   | \$ 656,294.91          |
| Increased By Receipts:   |                     |                   |                        |
| Prior Year Void Check  | A-1                 | \$ 250.00         |                        |
| Miscellaneous Revenue Not Anticipated                              | A-2                 | 807,170.53        |                        |
| Petty Cash   | 2-A                 | 500.00            |                        |
| Property Taxes Receivable  | 5-A                 | 13,008,970.26     |                        |
| Revenue Accounts Receivable  | 7-A                 | 879,439.22        |                        |
| State and Federal Grants   | 11-A,12-A,13-A,22-A | 21,188.86         |                        |
| Prepaid Taxes  | 16-A                | 80,458.68         |                        |
| Due From:  |                     |                   |                        |
| State of New Jersey - Senior<br>Citizens' and Veterans' Deductions | 4-A                 | 35,750.00         |                        |
| Former Treasurer   | 8-A                 | 572.00            |                        |
| Trust - Other Fund   | 9-A                 | 10.79             |                        |
| General Capital Fund   | 10-A                | 32.40             |                        |
| Due To State of New Jersey -<br>Marriage License Fees              | 17-A                | <u>700.00</u>     |                        |
|  |                     |                   | <u>14,835,042.74</u>   |
|  |                     |                   | 15,491,337.65          |
| Decreased By Disbursements:  |                     |                   |                        |
| 2012 Budget Appropriations   | A-3                 | 4,560,512.61      |                        |
| Petty Cash   | 2-A                 | 500.00            |                        |
| Grant Expenditures   | 11-A,13-A,21-A      | 40,957.27         |                        |
| Grant Encumbrances Payable   | 11-A,13-A,23-A      | 13,905.00         |                        |
| Appropriation Reserves   | 14-A                | 166,859.65        |                        |
| Due To State of New Jersey -<br>Marriage License Fees              | 17-A                | 700.00            |                        |
| Local District School Taxes Payable                                | 18-A                | 7,223,966.00      |                        |
| County Taxes Payable   | 19-A                | 1,782,945.86      |                        |
| Special District Taxes Payable                                     | 20-A                | <u>393,944.00</u> |                        |
|  |                     |                   | <u>14,184,290.39</u>   |
| Balance, December 31, 2012   | A                   |                   | <u>\$ 1,307,047.26</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PETTY CASH FUNDS

Year ended December 31, 2012

|                            | <u>Reference</u> |                       |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2011 | A                | \$ 0.00               |
| Increased By:              |                  |                       |
| Cash Received              | 1-A              | <u>500.00</u>         |
|                            |                  | 500.00                |
| Decreased By:              |                  |                       |
| Cash Disbursed             | 1-A              | <u>500.00</u>         |
| Balance, December 31, 2012 | A                | <u><u>\$ 0.00</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

A

\$ 300.00

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY  
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Year ended December 31, 2012

|   | <u>Reference</u> |                       |
|---|------------------|-----------------------|
| Balance, December 31, 2011  | A                | \$ 1,250.00           |
| Increased By:   |                  |                       |
| Senior Citizens' and Veterans' Deductions<br>Allowed Per Tax Billings | 5-A              | <u>36,000.00</u>      |
|   |                  | 37,250.00             |
| Decreased By:   |                  |                       |
| Cash Receipts   | 1-A              | \$ 35,750.00          |
| Senior Citizens' and Veterans' Deductions<br>Disallowed               | 5-A              | <u>1,500.00</u>       |
|   |                  | <u>37,250.00</u>      |
| Balance, December 31, 2012  | A                | <u><u>\$ 0.00</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY TAXES RECEIVABLE AND ANALYSIS OF LEVY

Year ended December 31, 2012

| Year          | Balance<br>December 31,<br>2011 | 2012<br>Levy     | Added<br>Taxes | Collections  |                  | State Share of<br>Senior Citizens'<br>and Veterans'<br>Deductions | Remitted<br>and<br>Cancelled | Balance<br>December 31,<br>2012 |
|---------------|---------------------------------|------------------|----------------|--------------|------------------|---|------------------------------|---------------------------------|
|               |                                 |                  |                | 2011         | 2012             |   |                              |                                 |
| Prior<br>2012 | \$ 268,628.41                   | \$ 12,823,556.52 | \$ 397,119.69  | \$ 79,923.12 | \$ 268,624.05    | \$ 34,500.00  | \$ 4.36                      | \$ 276,033.51                   |
|               | \$ 268,628.41                   | \$ 12,823,556.52 | \$ 397,119.69  | \$ 79,923.12 | \$ 13,008,970.26 | \$ 34,500.00  | \$ 89,877.73                 | \$ 276,033.51                   |
| Reference     | A                               | 5-A              | 5-A            | A-2,16-A     | A-2,1-A          | A-2,4-A   | 5-A                          | A                               |

Analysis of Property Tax Levy

Reference

Tax Yield:

|  |      |                         |
|--|------|-------------------------|
| General Purpose Tax                      | 5-A  | \$ 12,823,556.52        |
| Special District Taxes                   | 5-A  | 394,523.96              |
| Added Taxes (N.J.S.A. 54:4-63.1 et seq.) | 5-A  | 2,595.73                |
|  |      | <u>\$ 13,220,676.21</u> |
| Local District School Taxes (Abstract)   | 18-A | \$ 7,456,904.00         |
| County Taxes (Abstract)                  | 19-A | 1,782,592.89            |
| Due County for Added Taxes               | 19-A | 352.97                  |
| Fire District No. 1 (Abstract)           | 20-A | 393,944.00              |
|  |      | \$ 9,633,793.86         |
| Local Tax for Municipal Purpose          | A-2  | 3,579,277.02            |
| Add: Additional Tax Levied               | 5-A  | 7,605.33                |
|  |      | <u>3,586,882.35</u>     |
|  |      | <u>\$ 13,220,676.21</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES AT ASSESSED VALUATION

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

A

\$ 4,000.00

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2012

|  | <u>Reference</u> | Balance<br>December 31,<br>2011 | Accrued in<br>2012   | Collected By<br>Treasurer | Balance<br>December 31,<br>2012 |
|--|------------------|---------------------------------|----------------------|---------------------------|---------------------------------|
| Licenses:                                      |                  |                                 |                      |                           |                                 |
| Alcoholic Beverages                            | A-2              |                                 | \$ 12,876.00         | \$ 12,876.00              |                                 |
| Other  | A-2              |                                 | 9,339.50             | 9,339.50                  |                                 |
| Fees and Permits:                              |                  |                                 |                      |                           |                                 |
| Other  | A-2              |                                 | 1,400.00             | 1,400.00                  |                                 |
| Fines and Costs:                               |                  |                                 |                      |                           |                                 |
| Municipal Court                                | A-2              | \$ 8,132.96                     | 146,033.05           | 146,705.23                | \$ 7,460.78                     |
| Interest and Costs on Taxes                    | A-2              |                                 | 77,754.27            | 77,754.27                 |                                 |
| Interest on investments and Deposits           | A-2              |                                 | 1,321.50             | 1,321.50                  |                                 |
| Cable Franchise Fees                           | A-2              |                                 | 59,097.46            | 59,097.46                 |                                 |
| Cell Tower Lease                               | A-2              |                                 | 42,139.21            | 42,139.21                 |                                 |
| Senior Center Lease                            | A-2              |                                 | 9,985.00             | 9,985.00                  |                                 |
| Consolidated Municipal Property Tax Relief Aid | A-2              |                                 | 60,284.00            | 60,284.00                 |                                 |
| Energy Receipts Taxes                          | A-2              |                                 | 353,621.00           | 353,621.00                |                                 |
| FEMA   | A-2              |                                 | 37,834.14            | 37,834.14                 |                                 |
| Local School Taxes Receivable                  | A-2              |                                 | 26,990.00            | 26,990.00                 |                                 |
| Third Party Billing                            | A-2              |                                 | 47,077.03            | 47,077.03                 |                                 |
| State and Federal Revenues Offset With         |                  |                                 |                      |                           |                                 |
| Appropriations:                                |                  |                                 |                      |                           |                                 |
| Recycling Tonnage Grant                        | A-2              |                                 | 5,157.69             | 5,157.69                  |                                 |
| Clean Communities Program                      | A-2              |                                 | 7,597.57             | 7,597.57                  |                                 |
| Drive Sober                                    | A-2              |                                 | 8,800.00             | 8,800.00                  |                                 |
| Body Armor Fund                                | A-2              |                                 | 1,607.70             | 1,607.70                  |                                 |
| Special Items of Revenue Anticipated           |                  |                                 |                      |                           |                                 |
| with Prior Written Consent of the              |                  |                                 |                      |                           |                                 |
| Director of Local Government Services:         |                  |                                 |                      |                           |                                 |
| Uniform Fire Safety Act                        | A-2              |                                 | 20,728.00            | 20,728.00                 |                                 |
|  |                  | <u>\$ 8,132.96</u>              | <u>\$ 929,643.12</u> | <u>\$ 930,315.30</u>      | <u>\$ 7,460.78</u>              |
|  | <u>Reference</u> | A                               | 7-A                  |                           | A                               |
| Cash   | 1-A              |                                 |                      | \$ 879,439.22             |                                 |
| Due From:                                      |                  |                                 |                      |                           |                                 |
| Trust - Other Fund                             | 9-A              |                                 |                      | 686.06                    |                                 |
| General Capital Fund                           | 10-A             |                                 |                      | 37.06                     |                                 |
| Local School Taxes Receivable                  | 18-A             |                                 |                      | 26,990.00                 |                                 |
| Grants Receivable                              | 12-A             |                                 |                      | 23,162.96                 |                                 |
|  |                  |                                 |                      | <u>\$ 930,315.30</u>      |                                 |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE FROM FORMER TREASURER AND/OR BONDING COMPANY

Year ended December 31, 2012

|                            | <u>Reference</u> |                     |
|----------------------------|------------------|---------------------|
| Balance, December 31, 2011 | A                | \$ 67,237.37        |
| Decreased By:              |                  |                     |
| Cash Collected             | A-1,1-A          | <u>572.00</u>       |
| Balance, December 31, 2012 | A                | <u>\$ 66,665.37</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM TRUST - OTHER FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                         |
|----------------------------|------------------|-------------------------|
| Balance, December 31, 2011 | A                | \$ 10.79                |
| Increased By:              |                  |                         |
| Interest Earned            | 7-A              | <u>686.06</u>           |
|                            |                  | 696.85                  |
| Decreased By:              |                  |                         |
| Cash Receipts              | 1-A              | <u>10.79</u>            |
| Balance, December 31, 2012 | A                | <u><u>\$ 686.06</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                        |
|----------------------------|------------------|------------------------|
| Balance, December 31, 2011 | A                | \$ 32.40               |
| Increased By:              |                  |                        |
| Interest on Investments    | 7-A              | <u>37.06</u>           |
|                            |                  | 69.46                  |
| Decreased By:              |                  |                        |
| Cash Receipts              | 1-A              | <u>32.40</u>           |
| Balance, December 31, 2012 | A                | <u><u>\$ 37.06</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE (FROM)/TO GRANT FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                  |                       |
|----------------------------|------------------|------------------|-----------------------|
| Balance, December 31, 2011 | A                |                  | \$ 20,505.30          |
| Increased By:              |                  |                  |                       |
| Grants - Appropriated      | 21-A             | \$ 23,162.96     |                       |
| Cash Receipts              | 1-A,12-A,22-A    | <u>21,188.86</u> |                       |
|                            |                  |                  | <u>44,351.82</u>      |
|                            |                  |                  | 64,857.12             |
| Decreased By:              |                  |                  |                       |
| Grants Receivable          | 12-A             | 23,162.96        |                       |
| Cash Disbursements         | 1-A              | <u>54,862.27</u> |                       |
|                            |                  |                  | <u>78,025.23</u>      |
| Balance, December 31, 2012 | A                |                  | <u>\$ (13,168.11)</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GRANT FUND

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

Year ended December 31, 2012

| <u>Grants</u>                     | Balance<br>December 31,<br>2011 | Budget<br>Realized as<br>Revenue | Received/<br>Transferred<br>From<br><u>Unappropriated</u> | Balance<br>December 31,<br>2012 |
|-----------------------------------|---------------------------------|----------------------------------|---|---------------------------------|
| Safe Routes to School             | \$ 61,333.29                    | \$ 7,597.57                      | \$ 7,597.57   | \$ 61,333.29                    |
| Clean Communities                 |                                 |                                  |   |                                 |
| Drunk Driving Enforcement Fund    |                                 | 1,607.70                         | 1,607.70  |                                 |
| Body Armor Grant                  |                                 | 5,157.69                         | 5,157.69  |                                 |
| Recycling Tonnage Grant           |                                 | 8,800.00                         | 4,400.00  | 4,400.00                        |
| Drive Sober                       |                                 |                                  |   |                                 |
|                                   | <u>\$ 61,333.29</u>             | <u>\$ 23,162.96</u>              | <u>\$ 18,762.96</u>                                       | <u>\$ 65,733.29</u>             |
|                                   | <u>Reference</u>                | <u>A</u>                         | <u>7-A,11-A,13-A</u>                                      | <u>A</u>                        |
| Cash Received                     |                                 |                                  | \$ 12,345.74  |                                 |
| Reserve for Grants Unappropriated |                                 |                                  | <u>6,417.22</u>   |                                 |
|                                   |                                 |                                  | <u>\$ 18,762.96</u>                                       |                                 |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GRANT FUND

SCHEDULE OF DUE FROM/(TO) CURRENT FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                  |                       |
|----------------------------|------------------|------------------|-----------------------|
| Balance, December 31, 2011 | A                |                  | \$ 20,505.30          |
| Increased By:              |                  |                  |                       |
| Grants - Appropriated      | 21-A             | \$ 23,162.96     |                       |
| Cash Receipts              | 1-A,12-A,22-A    | <u>21,188.86</u> |                       |
|                            |                  |                  | <u>44,351.82</u>      |
|                            |                  |                  | 64,857.12             |
| Decreased By:              |                  |                  |                       |
| Grants Receivable          | 12-A             | 23,162.96        |                       |
| Cash Disbursements         | 1-A              | <u>54,862.27</u> |                       |
|                            |                  |                  | <u>78,025.23</u>      |
| Balance, December 31, 2012 | A                |                  | <u>\$ (13,168.11)</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

|  | Balance<br>December 31,<br><u>2011</u> | Balance After<br><u>Modifications</u> | Paid or<br><u>Charged</u> | <u>Lapsed</u> |
|--|--|---------------------------------------|---------------------------|---------------|
| <b>GENERAL GOVERNMENT</b>                |  |                                       |                           |               |
| General Administration:                  |  |                                       |                           |               |
| Salaries and Wages                       | \$ 43.31                               | \$ 43.31                              |                           | \$ 43.31      |
| Other Expenses                           | 4,768.61                               | 768.61                                | \$ 7.56                   | 761.05        |
| Mayor and Council:                       |  |                                       |                           |               |
| Salaries and Wages                       | 0.04                                   | 0.04                                  |                           | 0.04          |
| Other Expenses                           | 597.14                                 | 647.14                                |                           | 647.14        |
| Municipal Clerk:                         |  |                                       |                           |               |
| Salaries and Wages                       | 1,831.25                               | 1,831.25                              |                           | 1,831.25      |
| Other Expenses                           | 884.85                                 | 884.85                                |                           | 884.85        |
| Financial Administration (Treasury):     |  |                                       |                           |               |
| Salaries and Wages                       | 139.56                                 | 139.56                                |                           | 139.56        |
| Other Expenses                           | 2,428.46                               | 2,428.46                              |                           | 2,428.46      |
| Audit Services:                          |  |                                       |                           |               |
| Other Expenses                           | 2,500.00                               | 2,500.00                              | 2,500.00                  |               |
| Revenue Administration (Tax Collection): |  |                                       |                           |               |
| Salaries and Wages                       | 3.58                                   | 3.58                                  |                           | 3.58          |
| Other Expenses                           | 740.52                                 | 740.52                                |                           | 740.52        |
| Tax Assessment Administration:           |  |                                       |                           |               |
| Salaries and Wages                       | 338.08                                 | 338.08                                |                           | 338.08        |
| Other Expenses                           | 28.88                                  | 28.88                                 | (43.00)                   | 71.88         |
| Legal Services (Legal Department):       |  |                                       |                           |               |
| Other Expenses                           | 4,734.65                               | 8,734.65                              | 6,125.00                  | 2,609.65      |
| Office on Aging:                         |  |                                       |                           |               |
| Other Expenses                           | 125.00                                 | 925.00                                | 800.00                    | 125.00        |
| Engineering Services:                    |  |                                       |                           |               |
| Other Expenses                           | 3,272.50                               | 3,272.50                              | 217.50                    | 3,055.00      |
| Planning Board:                          |  |                                       |                           |               |
| Salaries and Wages                       | 13.70                                  | 13.70                                 |                           | 13.70         |
| Other Expenses                           | 744.00                                 | 744.00                                |                           | 744.00        |
| Zoning Board of Adjustment:              |  |                                       |                           |               |
| Salaries and Wages                       | 116.20                                 | 116.20                                |                           | 116.20        |
| Other Expenses                           | 988.53                                 | 988.53                                |                           | 988.53        |
| Insurance:                               |  |                                       |                           |               |
| Other Insurance                          |  |                                       |                           |               |
| Other Expenses                           | 3,457.82                               | 3,457.82                              | 300.00                    | 3,157.82      |
| Employee Group Insurance:                |  |                                       |                           |               |
| Other Expenses                           | 30,807.62                              | 30,807.62                             | 30,795.74                 | 11.88         |
| Health Benefit Waiver                    | 188.05                                 | 188.05                                |                           | 188.05        |
| Computerized Data Processing:            |  |                                       |                           |               |
| Other Expenses                           | 1,615.00                               | 1,615.00                              | 535.00                    | 1,080.00      |
| <b>PUBLIC SAFETY</b>                     |  |                                       |                           |               |
| Police Department:                       |  |                                       |                           |               |
| Salaries and Wages                       | 15,806.23                              | 15,806.23                             | 11,755.80                 | 4,050.43      |
| Other Expenses                           | 3,833.74                               | 6,671.74                              | 4,282.79                  | 2,388.95      |
| Office of Emergency Management:          |  |                                       |                           |               |
| Other Expenses                           | 22.21                                  | 22.21                                 |                           | 22.21         |
| Fire Prevention:                         |  |                                       |                           |               |
| Salaries and Wages                       | 1,176.08                               | 1,176.08                              |                           | 1,176.08      |
| Other Expenses                           | 29.69                                  | 29.69                                 |                           | 29.69         |
| Municipal Prosecutor's Office:           |  |                                       |                           |               |
| Salaries and Wages                       | 4.00                                   | 4.00                                  |                           | 4.00          |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

|   | Balance<br>December 31,<br><u>2011</u> | Balance After<br><u>Modifications</u> | Paid or<br><u>Charged</u> | <u>Lapsed</u> |
|---|--|---------------------------------------|---------------------------|---------------|
| <b>STREETS AND ROADS</b>                    |  |                                       |                           |               |
| Streets and Roads Maintenance:              |  |                                       |                           |               |
| Salaries and Wages                          | 13,495.16                              | 13,495.16                             |                           | 13,495.16     |
| Other Expenses                              | 2,674.89                               | 3,974.89                              | 974.00                    | 3,000.89      |
| Building and Grounds:                       |  |                                       |                           |               |
| Other Expenses                              | 4,447.54                               | 5,010.54                              | 1,094.88                  | 3,915.66      |
| <b>SANITATION</b>                           |  |                                       |                           |               |
| Solid Waste Collection:                     |  |                                       |                           |               |
| Other Expenses                              | 1,029.08                               | 1,029.08                              | 725.00                    | 304.08        |
| Community Services Act (Condominium Costs)  | 61,000.00                              | 61,000.00                             | 57,595.60                 | 3,404.40      |
| Landlord Trash Reimbursement                | 13,665.76                              | 13,665.76                             | 12,583.16                 | 1,082.60      |
| <b>HEALTH AND WELFARE</b>                   |  |                                       |                           |               |
| Public Health Services (Board of Health):   |  |                                       |                           |               |
| Salaries and Wages                          | 761.72                                 | 761.72                                |                           | 761.72        |
| Other Expenses                              | 444.90                                 | 507.40                                | 125.00                    | 382.40        |
| Animal Control Services:                    |  |                                       |                           |               |
| Salaries and Wages                          | 62.50                                  | 62.50                                 |                           | 62.50         |
| Municipal Court:                            |  |                                       |                           |               |
| Salaries and Wages                          | 2,451.17                               | 2,451.17                              |                           | 2,451.17      |
| Other Expenses                              | 841.40                                 | 841.40                                | 72.18                     | 769.22        |
| <b>UNCLASSIFIED</b>                         |  |                                       |                           |               |
| Electricity                                 | 10,069.10                              | 10,069.10                             | 2,115.98                  | 7,953.12      |
| Street Lighting                             | 10,105.06                              | 10,105.06                             | 8,241.99                  | 1,863.07      |
| Telephone (excluding equipment acquisition) |  |                                       |                           |               |
| Gas (natural or propane)                    | 3,453.11                               | 3,453.11                              | 2,132.79                  | 1,320.32      |
| Sewerage Processing and Disposal            | 194.89                                 | 194.89                                | 194.89                    |               |
| <b>STATUTORY EXPENDITURES</b>               |  |                                       |                           |               |
| Contribution To:                            |  |                                       |                           |               |
| Social Security System (O.A.S.I.)           | 5,134.82                               | 5,134.82                              |                           | 5,134.82      |
| Unemployment Insurance                      | 3,569.63                               | 3,569.63                              | 116.48                    | 3,453.15      |
| Police Dispatch/911:                        |  |                                       |                           |               |
| Salaries and Wages                          | 719.60                                 | 719.60                                |                           | 719.60        |
| Other Expenses                              | 7,771.15                               | 7,771.15                              | 880.50                    | 6,890.65      |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

|  | Balance<br>December 31,<br><u>2011</u> | Balance After<br><u>Modifications</u> | Paid or<br><u>Charged</u> | <u>Lapsed</u>        |
|--|--|---------------------------------------|---------------------------|----------------------|
| LOSAP                                    | 10,000.00                              | 10,000.00                             | 4,955.31                  | 5,044.69             |
| Recycling Tax                            | 1,219.89                               | 1,219.89                              | 423.45                    | 796.44               |
| Interlocal Municipal Service Agreements: |  |                                       |                           |                      |
| Middlesex County:                        |  |                                       |                           |                      |
| Gasoline                                 | 1,128.12                               | 1,128.12                              | (810.05)                  | 1,938.17             |
| SPCA Radios                              | 47.59                                  | 47.59                                 |                           | 47.59                |
| Shared Service Animal Control            | 5,447.00                               | 5,447.00                              | 2,876.00                  | 2,571.00             |
| MCUA Solid Waste                         | 11,031.95                              | 11,031.95                             | 8,045.55                  | 2,986.40             |
| MCIA Recycling                           | 16,762.60                              | 16,762.60                             | 7,002.57                  | 9,760.03             |
| ADDITIONAL APPROPRIATIONS                |  |                                       |                           |                      |
| OFFSET BY REVENUES                       |  |                                       |                           |                      |
| First Aid Third Party Billing            | <u>237.98</u>                          | <u>237.98</u>                         | <u>237.98</u>             |                      |
| Total General Appropriations             | <u>\$ 269,005.91</u>                   | <u>\$ 274,619.41</u>                  | <u>\$ 166,859.65</u>      | <u>\$ 107,759.76</u> |
|  | <u>Reference</u>                       |                                       |                           |                      |
|  | A                                      |                                       | 1-A                       | A-1                  |
| Appropriation Reserves                   | 14-A                                   | \$ 269,005.91                         |                           |                      |
| Encumbrances Payable                     | 15-A                                   | <u>5,613.50</u>                       |                           |                      |
|  |  | <u>\$ 274,619.41</u>                  |                           |                      |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

|                                       | <u>Reference</u> |                            |
|---------------------------------------|------------------|----------------------------|
| Balance, December 31, 2011            | A                | \$ 5,613.50                |
| Increased By:                         |                  |                            |
| 2012 Appropriations                   | A-3              | <u>10,669.10</u>           |
|                                       |                  | 16,282.60                  |
| Decreased By:                         |                  |                            |
| Transferred To Appropriation Reserves | 14-A             | <u>5,613.50</u>            |
| Balance, December 31, 2012            | A                | <u><u>\$ 10,669.10</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PREPAID TAXES

Year ended December 31, 2012

|                                  | <u>Reference</u> |                            |
|----------------------------------|------------------|----------------------------|
| Balance, December 31, 2011       | A                | \$ 79,923.12               |
| Increased By:                    |                  |                            |
| 2013 Taxes Collected in 2012     | 1-A              | <u>80,458.68</u>           |
|                                  |                  | 160,381.80                 |
| Decreased By:                    |                  |                            |
| Applied To 2012 Taxes Receivable | 5-A              | <u>79,923.12</u>           |
| Balance, December 31, 2012       | A                | <u><u>\$ 80,458.68</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES

Year ended December 31, 2012

|                            | <u>Reference</u> |                         |
|----------------------------|------------------|-------------------------|
| Balance, December 31, 2011 | A                | \$ 175.00               |
| Increased By:              |                  |                         |
| Cash Receipts              | 1-A              | <u>700.00</u>           |
|                            |                  | 875.00                  |
| Decreased By:              |                  |                         |
| Cash Disbursements         | 1-A              | <u>700.00</u>           |
| Balance, December 31, 2012 | A                | <u><u>\$ 175.00</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES (RECEIVABLE)/PAYABLE

Year ended December 31, 2012

|   | <u>Reference</u> |                     |                        |
|---|------------------|---------------------|------------------------|
| Balance, December 31, 2011:                         |                  |                     |                        |
| School Tax (Receivable)/Payable                     | A                | \$ (26,990.00)      |                        |
| School Tax Deferred                                 | 18-A             | <u>3,355,000.00</u> | \$ 3,328,010.00        |
| Increased By:                                       |                  |                     |                        |
| Levy - School Year July 1, 2012<br>to June 30, 2013 | A-2,5-A          |                     | <u>7,456,904.00</u>    |
|   |                  |                     | 10,784,914.00          |
| Decreased By:                                       |                  |                     |                        |
| Payment   | 1-A              |                     | <u>7,223,966.00</u>    |
| Balance, December 31, 2012:                         |                  |                     |                        |
| School Tax (Receivable)/Payable                     | A                | 205,948.00          |                        |
| School Tax Deferred                                 | 18-A             | <u>3,355,000.00</u> | <u>\$ 3,560,948.00</u> |
| 2012 Liability for Local District School Taxes:     |                  |                     |                        |
| Taxes Paid  | 18-A             |                     | \$ 7,223,966.00        |
| Taxes Payable, December 31, 2012                    | 18-A             |                     | <u>205,948.00</u>      |
|   |                  |                     | 7,429,914.00           |
| Taxes (Receivable)/Payable, December 31, 2011       | 18-A             |                     | <u>(26,990.00)</u>     |
| Amount Charged To 2012 Operations                   | A-1              |                     | <u>\$ 7,456,904.00</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2012

|                                    | <u>Reference</u> |                   |                     |
|------------------------------------|------------------|-------------------|---------------------|
| Balance, December 31, 2011         | A                |                   | \$ 0.00             |
| Increased By:                      |                  |                   |                     |
| 2012 Levy                          | A-1,A-2,5-A      | \$ 1,632,679.41   |                     |
| 2012 Due To County for Added Taxes | A-1,A-2,5-A      | 352.97            |                     |
| County Open Space Preservation Tax | A-1,A-2,5-A      | <u>149,913.48</u> |                     |
|                                    |                  |                   | <u>1,782,945.86</u> |
|                                    |                  |                   | 1,782,945.86        |
| Decreased By:                      |                  |                   |                     |
| Payment                            | 1-A              |                   | <u>1,782,945.86</u> |
| Balance, December 31, 2012         | A                |                   | <u>\$ 0.00</u>      |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE

Year ended December 31, 2012

|                            | <u>Reference</u> |                       |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2011 | A                | \$ 0.00               |
| Increased By:              |                  |                       |
| 2012 Levy                  | A-1,A-2,5-A      | <u>393,944.00</u>     |
|                            |                  | 393,944.00            |
| Decreased By:              |                  |                       |
| Payment                    | 1-A              | <u>393,944.00</u>     |
| Balance, December 31, 2012 | A                | <u><u>\$ 0.00</u></u> |

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS - APPROPRIATED

Year ended December 31, 2012

| <u>Grants</u>                             | Balance<br>December 31,<br>2011 | Transferred<br>From 2012<br><u>Budget</u> | 2012<br>Cancelled/<br><u>Expended</u> | Balance<br>December 31,<br>2012 |
|---|---------------------------------|---|---------------------------------------|---------------------------------|
| Drunk Driving Enforcement Fund            | \$ 5,752.42                     |   | \$ 1,220.42                           | \$ 4,532.00                     |
| Body Armor Fund                           | 354.51                          | \$ 1,607.70                               | 1,690.00                              | 272.21                          |
| Recycling Tonnage Grant                   |                                 | 5,157.69                                  | 5,157.69                              |                                 |
| NJDOT Safe Routes To Schools              | 52,762.79                       |   | 17,901.59                             | 34,861.20                       |
| Clean Communities                         |                                 | 7,597.57                                  | 7,597.57                              |                                 |
| Comcast Technology Grant                  | 1,095.00                        |   | 1,095.00                              |                                 |
| Drive Sober                               |                                 | 8,800.00                                  | 6,450.00                              | 2,350.00                        |
| Alcohol Education and Rehabilitation Fund | <u>1,551.65</u>                 |   |                                       | <u>1,551.65</u>                 |
|   | <u>\$ 61,516.37</u>             | <u>\$ 23,162.96</u>                       | <u>\$ 41,112.27</u>                   | <u>\$ 43,567.06</u>             |

Reference A

A-3,11-A,13-A

A

Cash Disbursements 1-A,11-A,13-A  
 Encumbrances Payable 24-A

\$ 40,957.27  
155.00  
\$ 41,112.27

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS - UNAPPROPRIATED

Year ended December 31, 2012

| <u>Grants</u>     | Balance<br>December 31,<br><u>2011</u> | Budget<br><u>Appropriations</u> | Cash<br><u>Received</u> | Balance<br>December 31,<br><u>2012</u> |
|-------------------|--|---------------------------------|-------------------------|--|
| Body Armor Fund   | \$ 1,607.70                            | \$ 1,607.70                     | \$ 1,638.35             | \$ 1,638.35                            |
| Recycling Tonnage | 4,809.52                               | 4,809.52                        | 6,880.99                | 6,880.99                               |
| Alcohol Education | <u>          </u>                      | <u>          </u>               | <u>323.78</u>           | <u>323.78</u>                          |
|                   | <u>\$ 6,417.22</u>                     | <u>\$ 6,417.22</u>              | <u>\$ 8,843.12</u>      | <u>\$ 8,843.12</u>                     |
| <u>Reference</u>  | A                                      | 12-A                            | 1-A,11-A,13-A           | A                                      |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## GRANT FUND

## SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year ended December 31, 2012

|  | <u>Reference</u> |                  |
|--|------------------|------------------|
| Balance, December 31, 2011   | A                | \$ 13,905.00     |
| Increased By:  |                  |                  |
| Transfer From Reserve for State and<br>Federal Grants Appropriated | 21-A             | <u>155.00</u>    |
|  |                  | 14,060.00        |
| Decreased By:  |                  |                  |
| Cash Disbursement  | 1-A,11-A,13-A    | <u>13,905.00</u> |
| Balance, December 31, 2012   | A                | <u>\$ 155.00</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

Year ended December 31, 2012

|                            | <u>Reference</u> |                     |
|----------------------------|------------------|---------------------|
| Balance, December 31, 2011 | A                | \$ 0.00             |
| Increased By:              |                  |                     |
| Emergency Appropriation    | A-3              | <u>50,000.00</u>    |
| Balance, December 31, 2012 | A                | <u>\$ 50,000.00</u> |

TRUST FUND

SCHEDULES

BOROUGH OF JAMESBURG  
 COUNTY OF MIDDLESEX, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST CASH AND INVESTMENTS - TREASURER

Year ended December 31, 2012

|   | Reference | Animal Control Trust Fund | Trust - Other Funds |
|---|-----------|---------------------------|---------------------|
| Balance, December 31, 2011                      | B         | \$ 274.98                 | \$ 144,795.29       |
| Increased By Receipts:                          |           |                           |                     |
| Due To:   |           |                           |                     |
| Current Fund                                    | 4-B       | \$ 898.80                 | \$ 406,384.90       |
| Miscellaneous Receipts                          | 3-B       | 7,838.40                  |                     |
| Late Charges                                    | 3-B       | 690.00                    |                     |
| Employees' Payroll Deductions and Contributions | 6-B       |                           | 932.58              |
| Reserve for:                                    |           |                           |                     |
| Unemployment Insurance Claims                   | 7-B       |                           | 501.73              |
| Various Reserves                                | 5-B       |                           | 616,766.01          |
|   |           | <u>9,427.20</u>           | <u>1,024,585.22</u> |
|   |           | 9,702.18                  | 1,169,380.51        |
| Decreased By Disbursements:                     |           |                           |                     |
| State of New Jersey - Dog License Fees          | 2-B       | 898.80                    |                     |
| Due To Current Fund                             | 4-B       |                           | 405,709.63          |
| Reserve for:                                    |           |                           |                     |
| Animal Control Fund Expenditures                | 3-B       | 8,678.75                  |                     |
| Various Reserves                                | 5-B       |                           | 562,509.54          |
|   |           | <u>9,577.55</u>           | <u>968,219.17</u>   |
| Balance, December 31, 2012                      | B         | \$ 124.63                 | \$ 201,161.34       |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## ANIMAL CONTROL TRUST FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY - LICENSE FEES

Year ended December 31, 2012

|                                   | <u>Reference</u> |                        |
|-----------------------------------|------------------|------------------------|
| Balance, December 31, 2011        | B                | \$ 12.60               |
| Increased By:                     |                  |                        |
| 2012 State License Fees Collected | 1-B              | <u>898.60</u>          |
|                                   |                  | 911.20                 |
| Decreased By:                     |                  |                        |
| Paid To State of New Jersey       | 1-B              | <u>898.60</u>          |
| Balance, December 31, 2012        | B                | <u><u>\$ 12.60</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2012

|  | <u>Reference</u> |               |                         |
|--|------------------|---------------|-------------------------|
| Balance, December 31, 2011                 | B                |               | \$ 262.38               |
| Increased By:                              |                  |               |                         |
| 2012 Municipal License Fees Collected      | 1-B              | \$ 5,419.80   |                         |
| Miscellaneous Receipts                     | 1-B              | 2,418.60      |                         |
| 2012 Municipal License Late Fees Collected | 1-B              | <u>690.00</u> |                         |
|  |                  |               | <u>8,528.40</u>         |
|  |                  |               | 8,790.78                |
| Decreased By:                              |                  |               |                         |
| Expenditures Under R.S. 4:19-15.11         | 1-B              |               | <u>8,678.75</u>         |
| Balance, December 31, 2012                 | B                |               | <u><u>\$ 112.03</u></u> |

License Fees Collected

|      |                            |
|------|----------------------------|
| 2011 | \$ 5,907.00                |
| 2010 | <u>6,680.00</u>            |
|      | <u><u>\$ 12,587.00</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                         |
|----------------------------|------------------|-------------------------|
| Balance, December 31, 2011 | B                | \$ 10.79                |
| Increased By:              |                  |                         |
| Cash Receipts              | 1-B              | <u>406,384.90</u>       |
|                            |                  | 406,395.69              |
| Decreased By:              |                  |                         |
| Cash Disbursements         | 1-B              | <u>405,709.63</u>       |
| Balance, December 31, 2012 | B                | <u><u>\$ 686.06</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUSTS

Year ended December 31, 2012

|   | Balance<br>December 31,<br><u>2011</u> | Cash<br><u>Receipts</u> | <u>Disbursements</u> | Balance<br>December 31,<br><u>2012</u> |
|---|--|-------------------------|----------------------|--|
| Municipal Court P.O.A.A.                | \$ 46.00                               | \$ 14.00                |                      | \$ 60.00                               |
| Tax Trust Premium                       | 32,700.00                              | 103,500.00              | \$ 17,400.00         | 118,800.00                             |
| Fire Prevention                         | 2,055.00                               | 250.00                  |                      | 2,305.00                               |
| DARE                                    | 509.78                                 | 400.00                  | 589.97               | 319.81                                 |
| Gough Performance Bond                  | 2,343.60                               |                         | 2,343.60             |  |
| Sewer Escrow                            | 14,915.41                              |                         | 1,461.95             | 13,453.46                              |
| Developers Escrow                       | 15,238.40                              | 12,352.50               | 9,750.00             | 17,840.90                              |
| Tax Title Liens                         | 4,011.58                               | 135,987.04              | 139,174.32           | 824.30                                 |
| Escrow Interest Payable                 | 337.80                                 | 4.34                    |                      | 342.14                                 |
| Accumulated Absences                    | 12,665.00                              |                         |                      | 12,665.00                              |
| Recreation Trust                        | 1,799.63                               | 7,475.00                | 8,161.09             | 1,113.54                               |
| Scamporino Forsgate Cash<br>Performance | 7,625.14                               |                         |                      | 7,625.14                               |
| Public Defender                         | 660.00                                 |                         |                      | 660.00                                 |
| Reserve Joint Insurance Fund            | 30,342.67                              | 258,993.13              | 287,814.11           | 1,521.69                               |
| Police Outside Employment               | 13,342.01                              | 97,790.00               | 95,814.50            | 15,317.51                              |
| MLETA Forfeiture Funds                  | 1,931.36                               |                         |                      | 1,931.36                               |
|   | <u>\$ 140,523.38</u>                   | <u>\$ 616,766.01</u>    | <u>\$ 562,509.54</u> | <u>\$ 194,779.85</u>                   |

Reference

B

1-B

1-B

B

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

PAYROLL AGENCY TRUST FUND

SCHEDULE OF EMPLOYEES' PAYROLL DEDUCTIONS AND CONTRIBUTIONS PAYABLE

Year ended December 31, 2012

|  | <u>Reference</u> |                    |
|--|------------------|--------------------|
| Balance, December 31, 2011                                 | B                | \$ 79.81           |
| Increased By:  |                  |                    |
| Payroll Deductions and Municipal<br>Share of Payroll Taxes | 1-B              | <u>932.58</u>      |
| Balance, December 31, 2012                                 | B                | <u>\$ 1,012.39</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

UNEMPLOYMENT INSURANCE TRUST FUND

SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE CLAIMS

Year ended December 31, 2012

|                            | <u>Reference</u> |                    |
|----------------------------|------------------|--------------------|
| Balance, December 31, 2011 | B                | \$ 4,181.31        |
| Increased By:              |                  |                    |
| Cash Receipts              | 1-B              | <u>501.73</u>      |
| Balance, December 31, 2012 | B                | <u>\$ 4,683.04</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2012

|                            | <u>Reference</u> |                 |                     |
|----------------------------|------------------|-----------------|---------------------|
| Balance, December 31, 2011 | B                |                 | \$ 49,939.67        |
| Increased By:              |                  |                 |                     |
| Borough Contributions      | 10-B             | \$ 4,955.31     |                     |
| Earnings/Losses            | 10-B             | <u>4,028.80</u> |                     |
|                            |                  |                 | <u>8,984.11</u>     |
|                            |                  |                 | 58,923.78           |
| Decreased By:              |                  |                 |                     |
| Withdrawals                | 10-B             | 6,255.34        |                     |
| Accounting Charges         | 10-B             | <u>905.26</u>   |                     |
|                            |                  |                 | <u>7,160.60</u>     |
| Balance, December 31, 2012 | B                |                 | <u>\$ 51,763.18</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF DUE FROM CURRENT FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                       |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2011 | B                | \$ 0.00               |
| Increased By:              |                  |                       |
| Appropriation Reserves     | 10-B             | <u>4,955.31</u>       |
|                            |                  | 4,955.31              |
| Decreased By:              |                  |                       |
| Cash Receipts              | 8-B              | <u>4,955.31</u>       |
| Balance, December 31, 2012 | B                | <u><u>\$ 0.00</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2012

|                            | <u>Reference</u> |                 |                     |
|----------------------------|------------------|-----------------|---------------------|
| Balance, December 31, 2011 | B                |                 | \$ 49,939.67        |
| Increased By:              |                  |                 |                     |
| Borough Contributions      | 8-B              | \$ 4,955.31     |                     |
| Earnings/Losses            | 8-B              | <u>4,028.80</u> |                     |
|                            |                  |                 | <u>8,984.11</u>     |
|                            |                  |                 | 58,923.78           |
| Decreased By:              |                  |                 |                     |
| Withdrawals                | 8-B              | 6,255.34        |                     |
| Accounting Charges         | 8-B              | <u>905.26</u>   |                     |
|                            |                  |                 | <u>7,160.60</u>     |
| Balance, December 31, 2012 | B                |                 | <u>\$ 51,763.18</u> |

GENERAL CAPITAL FUND

SCHEDULES

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - TREASURER

Year ended December 31, 2012

|                                   | <u>Reference</u> |                  |                      |
|-----------------------------------|------------------|------------------|----------------------|
| Balance, December 31, 2011        | C                |                  | \$ 470,045.89        |
| Increased By:                     |                  |                  |                      |
| Due From Sewer                    | 8-C              | \$ 38,282.00     |                      |
| Due From State - Grant Receivable | 3-C              | 237,450.86       |                      |
| Due To Current Fund               | 5-C              | 37.06            |                      |
| Capital Improvement Fund          | 6-C              | <u>65,000.00</u> |                      |
|                                   |                  |                  | <u>340,769.92</u>    |
|                                   |                  |                  | 810,815.81           |
| Decreased By:                     |                  |                  |                      |
| Improvement Authorizations        | 4-C              | 269,449.59       |                      |
| Due To Current Fund               | 5-C              | <u>32.40</u>     |                      |
|                                   |                  |                  | <u>269,481.99</u>    |
| Balance, December 31, 2012        | C                |                  | <u>\$ 541,333.82</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH

Year ended December 31, 2012

|   | Balance<br>December 31,<br><u>2012</u> |
|---|--|
| Fund Balance                              | \$ 147.48                              |
| Capital Improvement Fund                  | 768.68                                 |
| Due To Current Fund                       | 37.06                                  |
| Due From State - Grant Receivable         | (433,040.91)                           |
| Reserve for Gatzmer Traffic Light         | 20,000.00                              |
| <u>Improvement Authorizations</u>         |  |
| 03-07 Buckelew House Restoration          | 2,554.03                               |
| 12-07 Buckelew House Restoration Phase II | 6,030.09                               |
| 17-09 Sewer System Improvements           | 20,042.00                              |
| 04-10 Streetscape V                       | 1,895.44                               |
| 15-10 Half Acre Road 2010 CDBG            | 3,902.66                               |
| 04-11 Acquisition of Various Equipment    | 5,397.72                               |
| 10-11 SRTS Sedgwick                       | 269,000.00                             |
| 14-11 Buckelew Rehabilitation             | 498,000.00                             |
| 16-11 Half Acre Road                      | 36,384.00                              |
| 04-12 Various Equipment                   | 310.00                                 |
| 05-12 UST Remediation                     | 4,685.75                               |
| 06-12 West Railroad II                    | 72,146.82                              |
| 10-12 Half Acre 2012 CDBG                 | <u>33,073.00</u>                       |
|   | <u>\$ 541,333.82</u>                   |

Reference            C

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2012

|                                     | <u>Reference</u> |                 |                      |
|-------------------------------------|------------------|-----------------|----------------------|
| Balance, December 31, 2011          | C                |                 | \$ 421,208.19        |
| Increased By:                       |                  |                 |                      |
| Grants Receivable                   | 4-C              |                 | <u>258,073.00</u>    |
|                                     |                  |                 | 679,281.19           |
| Decreased By:                       |                  |                 |                      |
| Cash Receipts                       | 1-C              | \$ 237,450.86   |                      |
| Improvement Authorization Cancelled | 4-C              | <u>8,789.42</u> |                      |
|                                     |                  |                 | <u>246,240.28</u>    |
| Balance, December 31, 2012          | C                |                 | <u>\$ 433,040.91</u> |
| Ordinances                          |                  |                 |                      |
| Ord. 15-10 CDBG 2010 Half Acre      |                  |                 | \$ 3,902.66          |
| Ord. 10-11 SRTS Sedgwick            |                  |                 | 269,000.00           |
| Ord. 16-11 Half Acre 2011 CDBG      |                  |                 | 36,384.00            |
| Ord. 06-12 West Railroad            |                  |                 | 90,681.25            |
| Ord. 10-12 Half Acre CDBG           |                  |                 | <u>33,073.00</u>     |
|                                     |                  |                 | <u>\$ 433,040.91</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

| Ordinance Number      | Improvement Description               | Ordinance Date | Balance December 31, 2011 |              | 2012 Authorizations | Paid or Charged | Cancelled   | Balance December 31, 2012 |          |
|-----------------------|---------------------------------------|----------------|---------------------------|--------------|---------------------|-----------------|-------------|---------------------------|----------|
|                       |                                       |                | Funded                    | Unfunded     |                     |                 |             | Funded                    | Unfunded |
| General Improvements: |                                       |                |                           |              |                     |                 |             |                           |          |
| 22-99                 | Improvements To Senior Citizens House | 12/29/99       | \$ 2,276.41               |              |                     | \$ 2,276.41     |             |                           |          |
| 03-07                 | Bucklew House Restoration             | 01/24/07       | 2,554.03                  |              |                     |                 |             | 2,554.03                  |          |
| 12-07                 | Bucklew House Restoration Phase II    | 08/08/07       | 6,100.07                  |              |                     | 69.98           |             | 6,030.09                  |          |
| 17-09                 | Sewer System Improvements             | 10/19/09       | 20,042.00                 |              |                     |                 |             | 20,042.00                 |          |
| 04-10                 | Streetscape V                         | 02/17/10       | 3,850.44                  |              |                     | 1,955.00        |             | 1,895.44                  |          |
| 10-10                 | Half Acre Road 2009 CDBG              | 03/07/10       |                           |              |                     |                 |             |                           |          |
| 15-10                 | Half Acre Road 2010 CDBG              | 11/10/10       | 3,902.66                  |              |                     | 17,271.00       |             | 3,902.66                  |          |
| 04-11                 | Acquisition of Various Equipment      | 03/19/11       | 22,668.72                 |              |                     | 12,713.16       |             | 5,397.72                  |          |
| 05-11                 | West Railroad                         | 04/23/11       | 21,502.58                 |              |                     | 450.00          | \$ 8,789.42 |                           |          |
| 09-11                 | UST Remediation                       | 06/18/11       | 450.00                    |              |                     |                 |             |                           |          |
| 10-11                 | SRTS Sedgwick                         | 06/18/11       | 269,000.00                |              |                     |                 |             | 269,000.00                |          |
| 14-11                 | Bucklew Rehabilitation                | 07/23/11       | 498,000.00                |              |                     |                 |             | 498,000.00                |          |
| 15-11                 | UST Remediation                       | 07/23/11       | 21,856.61                 |              |                     | 21,856.61       |             | 36,384.00                 |          |
| 16-11                 | Half Acre Road                        | 07/23/11       | 36,384.00                 |              |                     |                 |             | 310.00                    |          |
| 04-12                 | Various Equipment                     |                |                           | \$ 30,000.00 |                     | 29,690.00       |             | 4,685.75                  |          |
| 05-12                 | UST Remediation                       |                |                           | 35,000.00    |                     | 30,314.25       |             | 72,146.82                 |          |
| 06-12                 | West Railroad II                      |                |                           | 225,000.00   |                     | 152,853.18      |             | 33,073.00                 |          |
| 10-12                 | Half Acre 2012 CDBG                   |                |                           | 33,073.00    |                     |                 |             |                           |          |
|                       |                                       |                | \$ 908,587.52             | \$ 0.00      | \$ 323,073.00       | \$ 269,449.59   | \$ 8,789.42 | \$ 953,421.51             | \$ 0.00  |
|                       |                                       | Reference      | C                         | C            |                     | 1-C             | 3-C         | C                         | C        |

Grants Receivable:

|                          |     |                      |
|--------------------------|-----|----------------------|
| NJDOT                    | 3-C | \$ 225,000.00        |
| Middlesex County         | 3-C | 33,073.00            |
| Capital Improvement Fund | 6-C | 65,000.00            |
|                          |     | <u>\$ 323,073.00</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2012

|                                | <u>Reference</u> |                        |
|--------------------------------|------------------|------------------------|
| Balance, December 31, 2011     | C                | \$ 32.40               |
| Increased By:                  |                  |                        |
| Interest Earned on Investments | 1-C              | <u>37.06</u>           |
|                                |                  | 69.46                  |
| Decreased By:                  |                  |                        |
| Cash Disbursements             | 1-C              | <u>32.40</u>           |
| Balance, December 31, 2012     | C                | <u><u>\$ 37.06</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                         |
|----------------------------|------------------|-------------------------|
| Balance, December 31, 2011 | C                | \$ 768.68               |
| Increased By:              |                  |                         |
| 2012 Budget Appropriations | 1-C              | <u>65,000.00</u>        |
|                            |                  | 65,768.68               |
| Decreased By:              |                  |                         |
| Improvement Authorizations | 4-C              | <u>65,000.00</u>        |
| Balance, December 31, 2012 | C                | <u><u>\$ 768.68</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DEVELOPER CONTRIBUTION

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

C

\$ 20,000.00

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM SEWER UTILITY CAPITAL FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                  |
|----------------------------|------------------|------------------|
| Balance, December 31, 2011 | C                | \$ 38,282.00     |
| Decreased By:              |                  |                  |
| Cash Receipts              | 1-C              | <u>38,282.00</u> |
| Balance, December 31, 2012 | C                | <u>\$ 0.00</u>   |

SEWER UTILITY FUND

SCHEDULES

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY CASH - TREASURER

Year ended December 31, 2012

|  | Reference | Operating Fund      | Capital Fund        |
|--|-----------|---------------------|---------------------|
| Balance, December 31, 2011             | D         | \$ 106,608.38       | \$ 54.03            |
| Increased By Receipts:                 |           |                     |                     |
| Miscellaneous Revenues Not Anticipated | D-2       | \$ 10,015.68        |                     |
| Sewer Rents Receivable                 | D-2,3-D   | 823,919.35          |                     |
| EPA Grant Receivable                   | 15-D      |                     | \$ 109,866.25       |
| Due From Sewer Utility Capital Fund    | 6-D       | 66.48               |                     |
| Sewer Utility Operating Fund           | 13-D      |                     | 3.51                |
|  |           | <u>834,001.51</u>   | <u>109,869.76</u>   |
|  |           | 940,609.89          | 109,923.79          |
| Decreased By:                          |           |                     |                     |
| 2012 Budget Appropriations             | D-3       | 877,272.07          |                     |
| 2011 Appropriation Reserves            | 5-D       | 5,771.44            |                     |
| Improvement Authorizations             | 9-D       |                     | 19,698.75           |
| Due To:                                |           |                     |                     |
| General Capital Fund                   | 14-D      |                     | 38,282.00           |
| Sewer Utility Operating Fund           | 13-D      |                     | 66.48               |
|  |           | <u>883,043.51</u>   | <u>58,047.23</u>    |
| Balance, December 31, 2012             | D         | \$ <u>57,566.38</u> | \$ <u>51,876.56</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF SEWER UTILITY CAPITAL FUND CASH

Year ended December 31, 2012

|                                    | Balance<br>December 31,<br><u>2012</u> |
|------------------------------------|--|
| Due To General Capital Fund        | \$ 3.51                                |
| EPA Grants Receivable              | (36,133.75)                            |
| Capital Improvement Fund           | 545.00                                 |
| <br>Ordinances:                    |  |
| 15-09 Sewer Improvements EPA Match | 28,334.96                              |
| 02-10 EPA Sewer Rehabilitation     | <u>59,126.84</u>                       |
|                                    | <u>\$ 51,876.56</u>                    |

Reference            D

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF SEWER RENTS RECEIVABLE

Year ended December 31, 2012

|                                   | <u>Reference</u> |                     |
|-----------------------------------|------------------|---------------------|
| Balance, December 31, 2011        | D                | \$ 84,598.08        |
| Increased By:                     |                  |                     |
| Sewer Rents Charged in 2012 (Net) | 3-D              | <u>825,061.25</u>   |
|                                   |                  | 909,659.33          |
| Decreased By:                     |                  |                     |
| Collections                       | D-2,1-D          | <u>823,919.35</u>   |
| Balance, December 31, 2012        | D                | <u>\$ 85,739.98</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF DUE FROM FORMER TREASURER  
AND/OR BONDING COMPANY

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

D

\$ 8,066.51

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY OPERATING FUND

## SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2012

|                    | Balance<br>December 31,<br><u>2011</u> | Modified<br><u>2012</u> | Paid or<br><u>Charged</u> | Balance<br><u>Lapsed</u> |
|--------------------|--|-------------------------|---------------------------|--------------------------|
| Operating:         |  |                         |                           |                          |
| Salaries and Wages | \$ 3,636.27                            | \$ 3,636.27             |                           | \$ 3,636.27              |
| Other Expenses     | <u>6,710.73</u>                        | <u>6,710.73</u>         | <u>\$ 5,771.44</u>        | <u>939.29</u>            |
|                    | <u>\$ 10,347.00</u>                    | <u>\$ 10,347.00</u>     | <u>\$ 5,771.44</u>        | <u>\$ 4,575.56</u>       |
| <u>Reference</u>   | D                                      | 5-D                     | 1-D                       | D-1                      |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY OPERATING FUND

## SCHEDULE OF DUE FROM SEWER UTILITY CAPITAL FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                       |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2011 | D                | \$ 66.48              |
| Increased By:              |                  |                       |
| Sewer Utility Capital Fund |                  |                       |
| Interest Income            | D-2              | <u>3.51</u>           |
|                            |                  | 69.99                 |
| Decreased By:              |                  |                       |
| Cash Receipts              | 1-D              | <u>66.48</u>          |
| Balance, December 31, 2012 | D                | <u><u>\$ 3.51</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2012

|                              | <u>Reference</u> |                      |
|------------------------------|------------------|----------------------|
| Balance, December 31, 2011   | D                | \$ 736,909.45        |
| Increased By:                |                  |                      |
| Expenditure for Improvements | 11-D             | <u>19,698.75</u>     |
| Balance, December 31, 2012   | D                | <u>\$ 756,608.20</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY CAPITAL FUND

## SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2012

| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u> | <u>Ordinance<br/>Date</u> | <u>Balance<br/>December 31,<br/>2011</u> | <u>Expenditures</u> | <u>Balance<br/>December 31,<br/>2012</u> |
|-----------------------------|--------------------------------|---------------------------|--|---------------------|--|
| 15-09                       | Sewer Improvements             | 08/12/09                  | \$ 35,000.00                             | \$ 6,665.04         | \$ 28,334.96                             |
| 02-10                       | Sewer Rehabilitation           | 02/17/10                  | 67,273.00                                | 8,146.16            | 59,126.84                                |
| 09-10                       | Sewer Rehabilitation           | 03/10/10                  | <u>4,887.55</u>                          | <u>4,887.55</u>     | <u>0.00</u>                              |
|                             |                                |                           | <u>\$ 107,160.55</u>                     | <u>\$ 19,698.75</u> | <u>\$ 87,461.80</u>                      |
|                             |                                | <u>Reference</u>          | D  | 12-D                | D  |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY CAPITAL FUND

## SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - FUNDED

Year ended December 31, 2012

| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u> | <u>Ordinance<br/>Date</u> | <u>Balance<br/>December 31,<br/>2010</u> | <u>Expended</u>     | <u>Balance<br/>December 31,<br/>2011</u> |
|-----------------------------|--------------------------------|---------------------------|--|---------------------|--|
| 15-09                       | Sewer Improvements             | 08/12/09                  | \$ 35,000.00                             | \$ 6,665.04         | \$ 28,334.96                             |
| 02-10                       | Sewer Rehabilitation           | 02/17/10                  | 67,273.00                                | 8,146.16            | 59,126.84                                |
| 09-10                       | Sewer Rehabilitation           | 03/10/10                  | <u>4,887.55</u>                          | <u>4,887.55</u>     | <u>0.00</u>                              |
|                             |                                |                           | <u>\$ 107,160.55</u>                     | <u>\$ 19,698.75</u> | <u>\$ 87,461.80</u>                      |
|                             |                                | <u>Reference</u>          | D  | 1-D,12-D            | D  |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

D

\$ 545.00

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2012

|                                      | <u>Reference</u> |                      |
|--------------------------------------|------------------|----------------------|
| Balance, December 31, 2011           | D                | \$ 736,909.45        |
| Increased By:                        |                  |                      |
| Expenditure for Capital Improvements | 7-D              | <u>19,698.75</u>     |
| Balance, December 31, 2012           | D                | <u>\$ 756,608.20</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY CAPITAL FUND

## SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2012

|                                      | <u>Reference</u> |                     |
|--------------------------------------|------------------|---------------------|
| Balance, December 31, 2011           | D                | \$ 107,160.55       |
| Decreased By:                        |                  |                     |
| Expenditure for Capital Improvements | 8-D,9-D          | <u>19,698.75</u>    |
| Balance, December 31, 2012           | D                | <u>\$ 87,461.80</u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

## SEWER UTILITY CAPITAL FUND

## SCHEDULE OF DUE TO SEWER UTILITY OPERATING FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                       |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2011 | D                | \$ 66.48              |
| Increased By:              |                  |                       |
| Cash Receipts              | 1-D              | <u>3.51</u>           |
|                            |                  | 69.99                 |
| Decreased By:              |                  |                       |
| Cash Disbursements         | 1-D              | <u>66.48</u>          |
| Balance, December 31, 2012 | D                | <u><u>\$ 3.51</u></u> |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DUE TO GENERAL CAPITAL FUND

Year ended December 31, 2012

|                            | <u>Reference</u> |                  |
|----------------------------|------------------|------------------|
| Balance, December 31, 2011 | D                | \$ 38,282.00     |
| Decreased By:              |                  |                  |
| Cash Disbursement          | 1-D              | <u>38,282.00</u> |
| Balance, December 31, 2012 | D                | <u>\$ 0.00</u>   |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF EPA GRANTS RECEIVABLE

Year ended December 31, 2012

|                            | <u>Reference</u> |                     |
|----------------------------|------------------|---------------------|
| Balance, December 31, 2011 | D                | \$ 146,000.00       |
| Decreased By:              |                  |                     |
| Cash Receipts              | 1-D              | <u>109,866.25</u>   |
| Balance, December 31, 2012 | D                | <u>\$ 36,133.75</u> |

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF GENERAL FIXED ASSETS

Year ended December 31, 2012

|              | Balance<br>December 31,<br><u>2011</u> | <u>Additions/<br/>Adjustments</u> | <u>Deletions/<br/>Adjustments</u> | Balance<br>December 31,<br><u>2012</u> |
|--------------|--|-----------------------------------|-----------------------------------|--|
| Land         | \$ 216,400.00                          |                                   |                                   | \$ 216,400.00                          |
| Buildings    | 508,000.00                             |                                   |                                   | 508,000.00                             |
| Equipment    | 1,095,109.72                           | \$ 28,981.00                      | \$ 26,028.00                      | 1,098,062.72                           |
| Improvements | <u>81,522.00</u>                       | <u>                    </u>       | <u>                    </u>       | <u>81,522.00</u>                       |
|              | <u>\$ 1,901,031.72</u>                 | <u>\$ 28,981.00</u>               | <u>\$ 26,028.00</u>               | <u>\$ 1,903,984.72</u>                 |

Reference

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E

COMMENTS SECTION

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

An audit of the financial accounts and transactions of the Borough of Jamesburg, County of Middlesex, New Jersey for the year ended December 31, 2012, has recently been completed. The results of the audit are herewith set forth.

Scope of Audit

The audit covered the financial transactions of the Collector, Treasurer's Office, the activities of the Mayor and Borough Council and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

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

Investments were verified by physical inspection, or by independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States of America and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Contracts and Agreements Required to be Advertised per N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract awarded by the contracting agent, for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold (40A:11-3), shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder".

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

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

The minutes indicate that bids were requested by public advertising for the following item:

West Railroad Avenue Road Reconstruction Phase II

The system of records did not provide for an accumulation of payments by categories of materials or supplies, or related work or labor. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid threshold "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles", other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body adopted a resolution authorizing interest to be charged on delinquent taxes:

RESOLUTION #029-01-04-12

TAX COLLECTION INTEREST RATES AND PROCEDURES

WHEREAS, N.J.S.A. 54:4-67 permits the governing body of each municipality to fix the rate of interest to be charged for non-payment of taxes as provided by law; and

WHEREAS, N.J.S.A. 54:4-67 has been amended to permit the fixing of said rate of eight percent (8%) per annum on the first \$1,500.00 of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500.00 and allows an additional penalty of six percent (6%) to be collected against delinquency prior to the end of the calendar year.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Collection of Interest on Delinquent Taxes and Assessments (continued)

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Jamesburg, County of Middlesex, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after the due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after the due date and, if delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31, an additional penalty of six percent (6%) shall be charged against the delinquency.
2. "Delinquency" means the sum of all taxes and municipal charges due on a given parcel of property covering any number of quarters or years.
3. Effective January 4, 2012, there will be a ten (10) day grace period of quarterly tax payments made by cash, check, or money order.
4. Any payments not made in accordance with paragraph 3 of this resolution shall be charged interest from the due date as set forth in paragraph 1 of this resolution.

Tax Sale

The last tax sale was held on October 17, 2012 and was complete.

Confirmation of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services. We examined subsequent and current cash collections to determine if moneys owed are properly collected.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Years ended December 31, 2012 and 2011

Comparative Statement of Operations  
and Changes in Fund Balance - Current Fund

|  | 2012          |          | 2011          |          |
|--|---------------|----------|---------------|----------|
|  | Amount        | Percent  | Amount        | Percent  |
| <u>Revenue and Other Income Realized</u>                     |               |          |               |          |
| Fund Balance Utilized  | \$ 280,000.00 | 1.84 %   | \$ 590,000.00 | 4.14 %   |
| Miscellaneous - From Other<br>Than Local Property Tax Levies | 1,846,110.78  | 12.11    | 1,144,467.95  | 8.02     |
| Collection of Delinquent Taxes<br>and Tax Title Liens        | 268,624.05    | 1.76     | 181,275.92    | 1.27     |
| Collection of Current Tax Levy                               | 12,854,769.33 | 84.30    | 12,346,886.66 | 86.57    |
| Total Revenues   | 15,249,504.16 | 100.00 % | 14,262,630.53 | 100.00 % |
| <u>Expenditures</u>  |               |          |               |          |
| Budget Expenditures:   |               |          |               |          |
| Municipal Purposes   | 4,774,865.96  | 33.11 %  | 4,806,271.88  | 34.37 %  |
| County Taxes   | 1,782,945.86  | 12.36    | 1,761,308.57  | 12.60    |
| Local District School Taxes                                  | 7,456,904.00  | 51.70    | 6,992,743.00  | 50.01    |
| Special District Taxes                                       | 393,944.00    | 2.73     | 394,900.00    | 2.82     |
| Other Expenditures   | 13,891.23     | 0.10     | 27,033.19     | 0.19     |
| Total Expenditures   | 14,422,551.05 | 100.00 % | 13,982,256.64 | 100.00 % |
| Excess in Revenue  | 826,953.11    |          | 280,373.89    |          |
| Adjustment To Income Before Fund Balance:                    |               |          |               |          |
| Expenditures Above Which Are By Statute                      |               |          |               |          |
| Deferred Charges To Budget of Succeeding<br>Year             |               |          |               |          |
| Emergency Appropriation                                      | 50,000.00     |          |               |          |
| Statutory Excess To Fund Balance                             | 876,953.11    |          | 280,373.89    |          |
| Fund Balance, January 1                                      | 282,622.08    |          | 592,248.19    |          |
|  | 1,159,575.19  |          | 872,622.08    |          |
| Decreased By:  |               |          |               |          |
| Utilized as Anticipated Revenue                              | 280,000.00    |          | 590,000.00    |          |
| Fund Balance, December 31                                    | \$ 879,575.19 |          | \$ 282,622.08 |          |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Years ended December 31, 2012 and 2011

Comparative Statement of Operations  
and Changes in Fund Balance - Sewer Utility Operating Fund

|  | 2012         |          | 2011         |          |
|--|--------------|----------|--------------|----------|
|  | Amount       | Percent  | Amount       | Percent  |
| <u>Revenue and Other Income Realized</u>         |              |          |              |          |
| Fund Balance Utilized                            | \$ 60,000.00 | 6.68 %   | \$ 32,000.00 | 3.61 %   |
| Collection of Sewer Rents                        | 823,919.35   | 91.70    | 832,790.20   | 93.82    |
| Miscellaneous - From Other<br>Than Sewer Rents   | 14,594.75    | 1.62     | 22,810.89    | 2.57     |
| Total Revenues                                   | 898,514.10   | 100.00 % | 887,601.09   | 100.00 % |
| <u>Expenditures</u>                              |              |          |              |          |
| Budget Expenditures:<br>Operating                | 890,000.00   | 100.00 % | 792,000.00   | 100.00 % |
| Total Expenditures                               | 890,000.00   | 100.00 % | 792,000.00   | 100.00 % |
| Excess in Revenue                                | 8,514.10     |          | 95,601.09    |          |
| Fund Balance, January 1                          | 96,327.86    |          | 32,726.77    |          |
|  | 104,841.96   |          | 128,327.86   |          |
| Decreased By:<br>Utilized as Anticipated Revenue | 60,000.00    |          | 32,000.00    |          |
| Fund Balance, December 31                        | \$ 44,841.96 |          | \$ 96,327.86 |          |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparative Schedule of Tax Rate Information

|          | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|----------|-------------|-------------|-------------|
| Tax Rate | \$ 5.527    | \$ 5.275    | \$ 5.202    |

Apportionment of Tax Rate

|                       |       |       |       |
|-----------------------|-------|-------|-------|
| Municipal             | 1.497 | 1.447 | 1.448 |
| County                | 0.746 | 0.737 | 0.665 |
| Local District School | 3.119 | 2.925 | 2.925 |
| Special District      | 0.165 | 0.166 | 0.164 |

Assessed Valuations

|      |                   |
|------|-------------------|
| 2012 | \$ 239,102,903.00 |
| 2011 | \$ 239,131,156.00 |
| 2010 | \$ 238,902,453.00 |

Comparison of Tax Levies and Collection Currently

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

| <u>Year</u> | <u>Tax Levy</u>  | <u>Currently</u>        |                                  |
|-------------|------------------|-------------------------|----------------------------------|
|             |                  | <u>Cash Collections</u> | <u>Percentage of Collections</u> |
| 2012        | \$ 13,220,676.21 | \$ 12,854,769.33        | 97.23%                           |
| 2011        | 12,624,393.00    | 12,346,886.66           | 97.80                            |
| 2010        | 12,445,481.48    | 12,255,403.47           | 98.47                            |

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Delinquent Taxes and Tax Title Items

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

| <u>Year</u> | <u>Amount of<br/>Tax Title<br/>Liens</u> | <u>Amount of<br/>Delinquent<br/>Taxes</u> | <u>Total<br/>Delinquent</u> | <u>Percentage<br/>of<br/>Tax Levy</u> |
|-------------|--|---|-----------------------------|---------------------------------------|
| 2012        | \$ 0.00                                  | \$ 276,033.51                             | \$ 276,033.51               | 2.09%                                 |
| 2011        | 0.00                                     | 268,628.41                                | 268,628.41                  | 2.12                                  |
| 2010        | 0.00                                     | 181,275.60                                | 181,275.60                  | 1.46                                  |

Property Acquired by Tax Title Lien Liquidation

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2012        | \$ 4,000.00   |
| 2011        | 4,000.00      |
| 2010        | 4,000.00      |

Comparison of Sewer Levies

| <u>Year</u> | <u>Levy</u>   | <u>Collections*</u> |
|-------------|---------------|---------------------|
| 2012        | \$ 825,061.25 | \$ 823,919.35       |
| 2011        | 826,883.72    | 832,790.20          |
| 2010        | 798,328.78    | 777,830.94          |

\*Includes collections of prior unpaid balances.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Comparative Schedule of Fund Balances

|   | <u>Year</u> | <u>Balance<br/>December 31</u> | <u>Utilized In<br/>Budget of<br/>Succeeding Year</u> |
|---|-------------|--------------------------------|--|
| <u>Current Fund</u>                     |             |                                |  |
|   | 2012        | \$ 879,575.19                  | \$ 800,000.00*                                       |
|   | 2011        | 282,622.08                     | 280,000.00   |
|   | 2010        | 592,248.19                     | 590,000.00   |
| <br>                                    |             |                                |  |
| <u>Sewer Utility<br/>Operating Fund</u> |             |                                |  |
|   | 2012        | \$ 44,841.96                   | \$ 40,000.00*  |
|   | 2011        | 96,327.86                      | 60,000.00  |
|   | 2010        | 32,726.77                      | 32,000.00  |

\* Budget has not been adopted as of the date of this report.

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS

Year ended December 31, 2012

Officials in Office and Surety Bonds

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

| <u>Name of Official</u> | <u>Title</u>  |
|-------------------------|---|
| Marlene Lowande         | Mayor   |
| Otto Kostbar            | Councilperson   |
| Thomas Busco, Jr.       | Councilperson   |
| Barbara Carpenter       | Councilperson   |
| Brian Taylor            | Councilperson   |
| Daria Ludas             | Councilperson   |
| Gregory Newton          | Councilperson   |
| Tanya Pannucci          | Acting Municipal Clerk  |
| Denise Jawidzik         | Chief Financial Officer,<br>Tax Collector                     |
| Kelly Taylor            | Sewer Utility Administrator,<br>Registrar of Vital Statistics |
| Frederick Raffetto      | Attorney  |
| Terrence Vogt           | Engineer  |
| Edward Herman           | Magistrate  |
| Ken Pacera              | Tax Assessor  |
| Sharron Pyne            | Court Administrator   |
| Christine Ward          | Deputy Court Clerk  |

During 2012, the Borough of Jamesburg was provided insurance as part of the Middlesex County Municipal Joint Insurance Fund. The Government Crime Policy coverage is as follows:

|  |                 |
|--|-----------------|
| Employee Theft - Per Loss Coverage                               | \$ 1,000,000.00 |
| Forgery or Alteration  | 1,000,000.00    |
| Inside the Premises - Theft of Money and Securities              | 50,000.00       |
| Inside the Premises - Robbery or Safe Burglary of Other Property | 50,000.00       |
| Outside the Premises   | 50,000.00       |

All of the above bonds were examined and found to be properly executed.



HOLMAN | FRENIA  
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**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**

Honorable Mayor and Members  
of the Borough Council  
Borough of Jamesburg, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Borough of Jamesburg (herein referred to as "the Municipality"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements, and have issued our report thereon dated March 21, 2013.

**Internal Control Over Financial Reporting**

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

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.

## COMMENTS AND RECOMMENDATIONS

BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2012

None noted.