This is a Preliminary Official Statement "deemed final" within the meaning of and with the exception of certain information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission. The County will deliver a final Official Statement in compliance with Rule 15c2-12. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2017A Refunding Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 2, 2017

NEW ISSUE – Book-Entry-Only | **RATINGS: (See "RATINGS" herein)**

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the County (as hereinafter defined), assuming continuing compliance by the County with certain covenants described herein, under existing law, interest on the 2017A Refunding Bonds (as hereinafter defined) is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and is not a specific item of tax preference under Section 57 of the Code for purposes of calculating the alternative minimum tax imposed on individuals and corporations pursuant to Section 55 of the Code. In the case of certain corporations that own the 2017A Refunding Bonds, the interest thereon is not excluded in computing the alternative minimum tax as a result of the inclusion of interest on the 2017A Refunding Bonds in "adjusted current earnings." In addition, interest on the 2017A Refunding Bonds may be subject to the branch profits tax imposed on certain foreign corporations and to the tax on "excess net passive income" imposed on S corporations. Interest on the 2017A Refunding Bonds and any gain from the sale thereof is not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed. See "TAX MATTERS" herein

$11,375,000*
COUNTY OF BURLINGTON, NEW JERSEY
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A

Dated: Date of Delivery | **Due: July 15, as shown on the inside cover**

The $11,375,000* aggregate principal amount of County of Burlington, New Jersey ("County"), General Obligation Refunding Bonds, Series 2017A, dated the date of delivery ("2017A Refunding Bonds"), shall be issued in fully registered book-entry-only form without coupons in the principal denominations of $5,000 or integral multiples thereof. The principal of the 2017A Refunding Bonds shall be paid on their respective maturity dates upon presentation and surrender of the 2017A Refunding Bonds at the offices of TD Bank, National Association, Cherry Hill, New Jersey ("Paying Agent"). Interest on the 2017A Refunding Bonds is payable initially on January 15, 2018 and semi-annually thereafter on July 15 and January 15 (each an "Interest Payment Date" and, collectively, the "Interest Payment Dates") in each year until maturity thereof. The 2017A Refunding Bonds are ***not*** subject to redemption prior to maturity.

Upon initial issuance, the 2017A Refunding Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC"), which will act as securities depository for the 2017A Refunding Bonds. So long as Cede & Co. is the registered owner of the 2017A Refunding Bonds, payments of principal of and interest on the 2017A Refunding Bonds will be made by the Paying Agent directly to DTC or its nominee, Cede & Co., which will remit such payments to the Direct Participants (as hereinafter defined) which will, in turn, remit such payments to the Beneficial Owners (as hereinafter defined) of the 2017A Refunding Bonds. Purchasers will not receive certificates representing their ownership interest in the 2017A Refunding Bonds purchased. For so long as any purchaser is a Beneficial Owner of a 2017A Refunding Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such 2017A Refunding Bond.

The 2017A Refunding Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) a refunding bond ordinance duly and finally adopted by the Board of Chosen Freeholders of the County ("Board") on October 11, 2017 and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board on October 11, 2017; and (iv) a bond purchase contract, dated November __, 2017, between the County and Roosevelt & Cross, Incorporated ("Underwriter").

The 2017A Refunding Bonds are being issued to provide funds which will be used to: (i) advance refund and redeem all or a portion of the outstanding callable maturities of the County's General Improvement Bonds, Series 2009, maturing on July 15 in each of the years 2020 through 2025, inclusive; and (ii) pay the costs and expenses related to the issuance, sale and delivery of the 2017A Refunding Bonds. See "PURPOSE OF THE ISSUE" herein.

The full faith and credit of the County are irrevocably pledged for the payment of the principal of and interest on the 2017A Refunding Bonds. The 2017A Refunding Bonds are general obligations of the County payable as to principal and interest from *ad valorem* taxes to be levied upon all taxable real property within the jurisdiction of the County without limitation as to rate or amount.

FOR MATURITY SCHEDULES,
SEE INSIDE FRONT COVER

This cover contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement, including the Appendices attached hereto, to obtain information essential to their making of an informed investment decision.

The 2017A Refunding Bonds are offered when, as and if issued, subject to the prior approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel, and certain other conditions described herein. Certain legal matters will be passed upon for the County by Kendall J. Collins, Esquire, County Solicitor. Acacia Financial Group, Inc., Mount Laurel, New Jersey has served as Financial Advisor to the County in connection with the issuance of the 2017A Refunding Bonds. It is anticipated that the 2017A Refunding Bonds in definitive form will be available for delivery, in immediately available funds, through the facilities of DTC in Jersey City, New Jersey, on or about November 22, 2017.

ROOSEVELT & CROSS, INCORPORATED

* Preliminary, subject to change.

MATURITY SCHEDULE

$11,375,000*
COUNTY OF BURLINGTON, NEW JERSEY
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A

(Non-Callable)

Maturity Date (July 15)*	Principal Amount*	Interest Rate	Yield	CUSIP**
2018	$70,000	%	%	121638___
2020	1,900,000			121638___
2021	1,895,000			121638___
2022	1,885,000			121638___
2023	1,880,000			121638___
2024	1,875,000			121638___
2025	1,870,000			121638___

* Preliminary, subject to change.

** A registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Holders of the 2017A Refunding Bonds only at the time of issuance of the 2017A Refunding Bonds and the County does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity of the 2017A Refunding Bonds is subject to being changed after the issuance of the 2017A Refunding Bonds as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2017A Refunding Bonds.

COUNTY OF BURLINGTON
NEW JERSEY

A Board of Chosen Freeholders composed of five people, all of whom are elected at large, governs Burlington County. The County Administrator is responsible for the efficient day-to-day operations of County Government under the guidelines and provisions of the Board.

BURLINGTON COUNTY OFFICIALS

Bruce D. Garganio
Director of the Board

Kate Gibbs
Deputy Director of the Board

Latham Tiver | Linda Hughes | Ryan Peters
Freeholders

Eve A. Cullinan
County Administrator

Gina Wheatley
Clerk of the Board

Kendall J. Collins, Esquire
County Solicitor

Edward J. Troy
County Treasurer

Marc Krassan
Chief Financial Officer

49 Rancocas Road
Mount Holly, New Jersey 08060-6000
(609) 265-5018

Bowman & Company LLP
Certified Public Accountants & Consultants
County Auditor

Parker McCay P.A.
Bond Counsel

Acacia Financial Group, Inc.
Financial Advisor

No dealer, broker, salesperson or other person has been authorized by the County of Burlington, New Jersey ("County") or Roosevelt & Cross, Incorporated ("Underwriter") to give any information or to make any representations with respect to the 2017A Refunding Bonds, other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the 2017A Refunding Bonds referred to herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information which is set forth herein has been provided by the County, The Depository Trust Company ("DTC") and by other sources, but the information provided by DTC and such other sources is not guaranteed as to accuracy or completeness by the County. References in this Official Statement to statutes, laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of such documents may be inspected at the offices of the County during normal business hours. This Official Statement is submitted in connection with the sale of the 2017A Refunding Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The order and placement of materials in this Official Statement, including the Appendices attached hereto, are not deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices attached hereto, must be considered in its entirety.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2017A Refunding Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

IN CONNECTION WITH THIS OFFERING OF THE 2017A REFUNDING BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2017A REFUNDING BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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OFFICIAL STATEMENT

RELATING TO

$11,375,000*
COUNTY OF BURLINGTON, NEW JERSEY
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A
(Non-Callable)

INTRODUCTION

The purpose of this Official Statement, including the cover page hereof and the Appendices attached hereto, is to provide certain information relating to the issuance by the County of Burlington, New Jersey ("County" or "Burlington County"), a public body corporate and politic of the State of New Jersey ("State"), of its $11,375,000* County of Burlington, New Jersey ("County"), General Obligation Refunding Bonds, Series 2017A ("2017A Refunding Bonds"). This Official Statement should be read in its entirety in order to make an informed investment decision.

All financial and other information presented herein and in the Appendices attached hereto has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historic information and is not necessarily indicative of future or continuing trends in the financial position or other affairs of the County. The summaries of and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each such document, statute, report or instrument.

AUTHORIZATION FOR THE 2017A REFUNDING BONDS

The County is authorized to issue the 2017A Refunding Bonds pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State, as amended and supplemented (*N.J.S.A.* 40A:2-1 *et seq.*) ("Local Bond Law"), (ii) a refunding bond ordinance ("Refunding Bond Ordinance") duly and finally adopted by the Board of Chosen Freeholders of the County ("Board") on October 11, 2017 and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board on October 11, 2017 ("Authorizing Resolution"); and (iv) a bond purchase contract, dated November __, 2017, between the County and Roosevelt & Cross, Incorporated ("Underwriter").

PURPOSE OF THE ISSUE

The 2017A Refunding Bonds are being issued by the County to provide funds which will be used to: (i) advance refund and redeem all or a portion of the outstanding callable maturities of the County's General Obligation Bonds, Series 2009, maturing on July 15 in each of the years

* Preliminary, subject to change.

2020 through 2025, inclusive ("2009 Refunded Bonds"), on July 15, 2019 ("2009 Refunded Bonds Redemption Date") at a redemption price of 100% of the principal amount of the 2009 Refunded Bonds ("2009 Refunded Bonds Redemption Price"), together with accrued interest thereon; and (ii) pay the costs and expenses related to the issuance, sale and delivery of the 2017A Refunding Bonds.

In connection with the issuance of the 2017A Refunding Bonds, the County will enter into an Escrow Deposit Agreement, dated the date of delivery of the 2017A Refunding Bonds ("Escrow Deposit Agreement"), with TD Bank, National Association, Cherry Hill, New Jersey, as escrow agent ("Escrow Agent"), pursuant to which a portion of the proceeds of the 2017A Refunding Bonds will be deposited in the Escrow Fund established under the Escrow Deposit Agreement and held uninvested as cash or invested in direct and general obligations of, or obligations fully and unconditionally guaranteed by, the United States of America ("Government Obligations"), the maturing principal of which and interest thereon shall be used to make payments of (i) interest on the 2009 Refunded Bonds through and including the 2009 Refunded Bonds Redemption Date and (ii) the 2009 Refunded Bonds Redemption Price of the 2009 Refunded Bonds on the 2009 Refunded Bonds Redemption Date.

The mathematical calculation of the adequacy of the deposit to provide for the payment of the 2009 Refunded Bonds on the date of issuance of the 2017A Refunding Bonds will be verified by Bowman & Company LLP, Voorhees and Woodbury, New Jersey ("Verification Agent") at the time of the delivery of the 2017A Refunding Bonds. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds with respect to the 2017A Refunding Bonds.

Estimated Sources of Funds:	
Principal Amount of 2017A Refunding Bonds	$
Original Issue Premium	
Total Estimated Sources	$
Estimated Uses of Funds:	
Deposit to Escrow Fund	$
Costs of Issuance[1]	
Total Estimated Uses	$

[1] Includes fees and expenses of Bond Counsel, the County's auditor and financial advisor, Escrow Agent, Verification Agent, Underwriter's discount and other associated issuance costs.

DESCRIPTION OF THE 2017A REFUNDING BONDS

The 2017A Refunding Bonds will be issued in the aggregate principal amount of $11,375,000*. The 2017A Refunding Bonds will be dated the date of delivery and bear interest from that date at the respective interest rates set forth on the inside front cover page of this Official Statement. Interest on the 2017A Refunding Bonds will be payable semiannually commencing on January 15, 2018 and, thereafter, on July 15 and January 15 (each an "Interest Payment Date") in each year until maturity. The 2017A Refunding Bonds will mature on July 15 in the years and in the respective principal amounts, all as shown on the inside front cover page of this Official Statement.

The 2017A Refunding Bonds are ***not*** subject to redemption prior to their stated maturity dates.

The 2017A Refunding Bonds will be issued in fully registered book-entry-only form without coupons in the principal denominations of $5,000 or any integral multiple thereof. The principal of the 2017A Refunding Bonds will be payable to the registered owners thereof at maturity upon presentation and surrender of the 2017A Refunding Bonds at the office of TD Bank, National Association, Cherry Hill, New Jersey, as paying agent ("Paying Agent"). Interest on each 2017A Refunding Bond shall be payable on each Interest Payment Date of such 2017A Refunding Bond to the registered owner of record thereof appearing on the registration books kept by the Paying Agent as of the close of business on the first (1st) day of the calendar month containing an Interest Payment Date ("Record Date").

So long as The Depository Trust Company, New York, New York ("DTC") or its nominee, Cede & Co. (or any successor or assign), is the registered owner of the 2017A Refunding Bonds, payments of the principal of and interest on the 2017A Refunding Bonds will be made directly to Cede & Co. (or any successor or assign), as nominee of DTC. Disbursements of such payments to the participants of DTC is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the 2017A Refunding Bonds is the responsibility of the Direct Participants (as hereinafter defined) and not the County or its designated Paying Agent.

Book-Entry-Only System[1]

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the 2017A Refunding Bonds, payment of principal and interest, and other payments on the 2017A Refunding Bonds to Direct Participants or Beneficial Owners (as each such term is hereinafter defined), confirmation and transfer of beneficial ownership interests in the 2017A Refunding Bonds and other related transactions by and between DTC, Direct Participants and Beneficial Owners, is based on certain information furnished by DTC to the County. Accordingly, the County and the Underwriter do not make any representations as to the completeness or accuracy of such information.

DTC will act as securities depository ("Securities Depository") for the 2017A Refunding Bonds. The 2017A Refunding Bonds will be issued as fully-registered securities registered in

* Preliminary, subject to change.
[1] Source: The Depository Trust Company.

the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2017A Refunding Bond certificate will be issued in the aggregate principal amount of each maturity of the 2017A Refunding Bonds, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Direct Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. So long as the 2017A Refunding Bonds are maintained in book-entry form with DTC, the following procedures will be applicable with respect to the 2017A Refunding Bonds.

Purchases of the 2017A Refunding Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2017A Refunding Bonds on DTC's records. The ownership interest of each actual purchaser of the 2017A Refunding Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2017A Refunding Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2017A Refunding Bonds, except in the event that use of the book-entry system for the 2017A Refunding Bonds is discontinued.

To facilitate subsequent transfers, all 2017A Refunding Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2017A Refunding Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2017A Refunding Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts the 2017A Refunding Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices, if any, shall be sent to DTC. If than all of the bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2017A Refunding Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer (i.e., the County) or its designated paying agent as soon as possible after the respective Record Dates. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2017A Refunding Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the 2017A Refunding Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer (i.e., the County) or its designated paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the issuer (i.e., the County) or its designated paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments on the 2017A Refunding Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer (i.e., the County) or its designated paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2017A Refunding Bonds at any time by giving reasonable notice to the issuer (i.e., the County) or its designated paying agent. Under such circumstances, in the event that a successor Securities Depository is not obtained, 2017A Refunding Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2017A Refunding Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County and the Underwriter believe to be reliable, but the County and the Underwriter take no responsibility for the accuracy thereof.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE 2017A REFUNDING BONDS WITH RESPECT TO: (1) THE 2017A REFUNDING BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ITS NOMINEE, OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC TO ANY DIRECT PARTICIPANT OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON ANY 2017A REFUNDING BONDS; (4) THE DELIVERY BY DTC, ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE 2017A REFUNDING BONDS TO BE GIVEN TO THE OWNERS OF THE 2017A REFUNDING BONDS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION, IF ANY, OF THE 2017A REFUNDING BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE 2017A REFUNDING BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDERS OF THE 2017A REFUNDING BONDS OR REGISTERED OWNERS OF THE 2017A REFUNDING BONDS (OTHER THAN UNDER THE CAPTION "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE 2017A REFUNDING BONDS.

Discontinuance of Book-Entry-Only System

In the event that the book-entry system is discontinued and the Beneficial Owners become registered owners of the 2017A Refunding Bonds, the following provisions would apply: (i) the 2017A Refunding Bonds may be exchanged for an equal aggregate principal amount of 2017A Refunding Bonds in other authorized denominations, of the same Series and maturity, upon surrender thereof at the offices of the County Treasurer or its designated paying agent, if any; (ii) the transfer of any 2017A Refunding Bonds may be registered on the books maintained by the County or its designated paying agent, if any, for such purpose only upon the surrender thereof to the County or its designated paying agent, if any, together with the duly executed assignment in form satisfactory to the County or its designated paying agent, if any; and (iii) for every exchange or registration of transfer of 2017A Refunding Bonds, the County or its designated paying agent, if any, may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the 2017A Refunding Bonds. The 2017A Refunding Bonds will be payable by check or draft mailed to the registered owners thereof.

SECURITY FOR THE 2017A REFUNDING BONDS

The 2017A Refunding Bonds are general obligations of the County and the full faith, credit and taxing power of the County are irrevocably pledged for the payment of the principal of and interest on the 2017A Refunding Bonds. The 2017A Refunding Bonds are payable, if payment is not provided in any other manner, from *ad valorem* taxes to be levied upon all the taxable real property located within the jurisdiction of the County without limitation as to rate or amount. The enforceability of rights or remedies with respect to the payment of the 2017A Refunding Bonds may be limited by bankruptcy, insolvency or other laws affecting creditor's rights or remedies heretofore or hereafter enacted See "COUNTY INDEBTEDNESS" herein.

The County may pledge only its own credit and taxing power in respect of the 2017A Refunding Bonds, and has no power to pledge the credit or taxing power of the State or any other political subdivision thereof, nor shall the 2017A Refunding Bonds be deemed to be obligations of said State or any other political subdivision thereof, nor shall said State or any other political subdivision thereof be liable for the payment of principal of or interest on the 2017A Refunding Bonds.

GENERAL INFORMATION REGARDING THE COUNTY

Burlington County, located in South Central New Jersey is, in area, the largest county in the State of New Jersey ("State") and is only thirty (30) minutes from downtown Philadelphia and ninety (90) minutes from New York City. It covers 529,351 acres of which 524,160 are land and 5,191 are water. The 827 square miles extend from the Delaware River to Great Bay at the Atlantic Ocean. Burlington County is bordered by Mercer, Monmouth, Ocean, Camden, and Atlantic counties.

About fifty-four percent (54%) of the County is forest, twenty-five percent (25%) farmland, seventeen percent (17%) residential, and four percent (4%) federally owned land. Most of the productive farmland is in the third of the County that parallels the Delaware River. East of this is mostly pine woodland, where State-owned forests and parks make up twenty percent (20%) of the County.

Population[1]

Burlington County has forty (40) political subdivisions, consisting of three (3) cities, thirty-one (31) townships and six (6) boroughs. Municipalities with populations over 30,000 include the Townships of Willingboro, Evesham and Mount Laurel. The County seat is located in Mount Holly, which has a population of 9,536.

[1] Source: U.S. Department of Commerce, Bureau of Census.

2010 Federal Census	448,734
2000 Federal Census	423,394
1990 Federal Census.	395,066
1980 Federal Census	362,542
1970 Federal Census	323,132
1960 Federal Census	224,499
1950 Federal Census	135,926
1940 Federal Census	97,013

Labor Force

The following table discloses current labor force data for the County. Data was provided by the New Jersey Department of Labor and Workforce Development using the U.S. Bureau of Labor Statistics Method.

LABOR FORCE DATA[1]

	2016 Average	2015 Average	2014 Average
Labor Force	234.6	232.4	232.0
Employment	224.3	220.3	217.4
Unemployment	10.3	12.1	14.7
Unemployment Rate (%)	4.4%	5.2%	6.3%

Farming

Burlington County is first in the State for land devoted to farming, with over 110,000 acres of farmland. The leading agricultural commodities are nursery, greenhouse and sod followed by the production of fruits and berries, vegetables, grains, and dairy as well as breeding equine. The County is first in the State in the production of soybeans and cranberries and second in the production of sweet corn and blueberries.[2]

In 1985, Burlington County preserved the first farms in the State with the acquisition through the County's Farmland Preservation Program of 608 acres of prime farmland in Chesterfield Township. The approximately 138,000 acre Agricultural Development Area ("ADA") is where the County focuses most of its preservation efforts. The County has also been the State's testing grounds for a unique Transfer of Development Rights ("TDR") program, which couples land preservation with planned residential and commercial growth.

As of October 2016, more than 58,134 acres of farmland have been preserved, securing the County's position as a statewide leader in farmland preservation. An additional 750 acres for farmland are targeted for next year.[3]

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[1] In thousands. N.J. Department of Labor and Workforce Development.
[2] Source: 2002 Census of Agriculture, USDA National Agricultural Statistics Service.
[3] Source: Burlington County Department of Resource Conservation.

Transportation

Excellent transportation services are available in Burlington County – New Jersey Transit, Greyhound Lines, and Academy Bus Lines are the major bus lines connecting the County with Philadelphia, New York, Baltimore and Washington, D.C. There are also two Conrail railroad lines that together with the Delaware River and its forty-foot channel, provide bulk cargo transportation alternatives.

The New Jersey Turnpike travels through the center of Burlington County providing four exits that access to all areas of the County. The new Exit 6, located in Florence Township, opened to motorists in February 2001, providing access to both the New Jersey and Pennsylvania Turnpikes from Route 130. Major connectors to the Turnpike include I-95 and I-295 with eight exits; U.S. Highways #130 and #206; and State Highways #38, #70, #72 and #73. Many fine County roads service this network.

Currently, more than $100 million in highway improvement projects are underway within the County. The County has more than 508 miles of roads under its jurisdiction.

New Jersey Transit passenger rail service began operations on March 14, 2004. This service provides rail transportation for the dozen municipalities that make up the Route 130/Delaware River Corridor in the County ("River Line"). The River Line rail service connects the cities of Camden and Trenton, providing commuters with an alternative transportation option and, in the process, bolstering a regional study and plan for revitalizing business and growth through this western portion of the County. Additionally, the County provides a cross-County bus system (Burlink) connecting with New Jersey Transit bus routes and the River Line stations which is operated by the Stout Charter Service, Inc.

Industries

Twenty-six (26) active industrial/office parks are located throughout the County. Some of the major parks are: Bishop's Gate Corporate Center, East Gate Business Center I and Laurel Corporate Center located in Mount Laurel; Moorestown Industrial Park located in Moorestown; Crossroads Business Center located in Burlington Township; Greentree Office/Industrial Campus and Marlton Crossing located in Evesham Township; Haines Industrial Center located in Burlington and Florence Townships; Cindel located in Cinnaminson; Lumberton Corporate Center located in Lumberton Township; and Highland Business Park located in Westampton Township. All of these parks are adjacent to major transportation arteries. Their tenants are representatives of the major industries located in the United States.

Some exciting businesses have built facilities in the County and others are coming to the County.

- NFI built Subaru of America a 526,050 square-foot parts distribution facility and 17,000 square-foot office and training facility in Florence Township which was completed and fully operational in June 2013, adding 126 jobs. NFI built a 504,000 square-foot addition of which Subaru occupies 189,000 square-feet, Okidata 252,000 square-feet and Nestle 63,000 square-feet.

- Burlington Stores (formerly Burlington County Coat Factory) built a 522,000 square-foot warehouse and a 218,000 square-foot international corporate headquarters in Florence Township, adding more than 800 hundred jobs. In addition, Burlington Stores is leasing two adjacent build-to-suit warehouses in Haines Industrial Park, 677,000 square-feet in Burlington Township and 200,000 square-feet in Florence Township. They also built a 731,000 square-feet truck staging area in Edgewater Park Township that employs more than 1,000 workers. Burlington Stores has a total of 2,565 employees in the County.
- Express Scripts consolidated all of its New Jersey facilities and built a 240,000 square-foot distribution center in Florence Township with more than 700 jobs created.
- Destination Maternity built a 406,000 square-foot warehouse and moved to an 81,000 square-foot office building in the County, adding more than 675 new jobs.
- W.W. Grainger, a leading supplier of maintenance, repair and operating products, built a 1.3 million square-feet distribution center on 96 acres of land in Bordentown Township, which added approximately 400 warehouse operations jobs.
- Rancocas Industrial Park built a 682,000 square-foot warehouse/distribution center in Westampton Township, with more than 100 jobs created.
- Amazon built a 614,000 square-foot fulfillment center in Florence Township, which is generating approximately 500 jobs. Adjacent to Amazon is the recently completed 577,000 square-foot 1st Florence Logistics Center.
- Burlington Industrial Park in Burlington Township is four-warehouse complex with a total of 1,582,000 square-feet that will add approximately 400 jobs. Three of the four warehouses are completed.
- ARI/Acacia Cabinetworks renovated and existing building in Crossroads Industrial Park, Burling Township to create a $1.4 million project that includes 63 additional jobs.
- The Brickwall Tavern and Restaurant in Burlington City completed a $1.4 million project that renovated the old Endeavor Firehouse and added 63 jobs.
- The View at Marlton in Evesham Township is an 80,000 square-foot, $30 million retail center that is currently under construction.

There are also numerous new housing projects including Rivergate at Bordentown, a 159 luxury rental apartment complex, which recently opened as part of Phase I of a $300 million, 98-acre redevelopment project along the Delaware River waterfront in Bordentown Township known as Bordentown Waterfront Community. The Bordentown Waterfront Community involves the transformation of a former ship salvage yard into a transit village with up to 674 apartments and townhouses, stores, restaurants, a public park, pier and a new River Line train station. Parker’s Mill in Mt. Holly has completed Phase 1 of their project that includes 60 townhouses, and 228 apartments.

Burlington County initiated an award-winning revitalization plan in 1995 ("Plan") that included working with twelve (12) municipalities located in a 17 mile long corridor that runs from Palmyra to Florence from the Delaware River and along Route 130. Originally called the Route 130 Corridor Project it is now the River Route project because it brings together the Delaware River, the rail line and Route 130 for economic success. Since its inception, the Plan has attracted major industry including the Merck-Medco automated mail service facility, an extension of the Rowan College at Burlington County (formerly Burlington County College) campus, Burlington Stores distribution center, a new public library, and national and regional retailers along with residential housing. Thus far, the Plan has resulted in 203 new major businesses with over $2.0 billion in new investment and created more than 3,000 new jobs. This plan is currently being updated to include four (4) additional communities along the River Line. The County has also received a State "smart growth" grant to undertake a regional study in the northern Route 206 area, which will result in a plan to provide for commercial growth while retaining the rural character of the ten (10) communities involved.

Industrial park land costs range from $60,000 to $300,000 per acre. Speculative and build-to-suit construction share equally in today's market. Examples of distribution facility construction include: General Service Administration - 1 million square feet; Consumer Value Stores - 488,000 square feet (completed in 1990) and 320,000 square feet addition (completed in 1993); IKEA – 1.2 million square-foot distribution center (began operations in 1992); Office Depot - 160,000 square feet; National Medical Care - 120,000 square feet; and Roosevelt Paper Co. - 465,000 square feet.

Bishops Gate Center, an Office/Industrial Campus located in Mount Laurel Township, is home to Okidata Corporation headquarters, warehouse and assembly facilities; PHH Mortgage Services and the Bancroft School campus, a $75 million project on 80 acres that is under construction.

The Haines Center, spanning over 800 acres in Burlington and Florence Townships at New Jersey Turnpike Exit 6A, offers a variety of building sites and warehousing and distribution facilities ranging from 80,000 square feet to 1,000,000 square feet. The Haines Center is approximately at two-thirds capacity with tenants including Burlington Stores, BJ's Wholesale Club, Christmas Tree Shops, Home Depot, Destination Maternity and other national companies.

Lockheed Martin recently completed an approximately 72,000 square-foot expansion of its AEGIS Combat System technologies building located in Moorestown Township. The expansion project, undertaken in conjunction with Lockheed Martin's notification of a ten-year extension of its Navy research and development contract, will add approximately 100 new jobs.

Housing

The County offers the advantages of life in a major metropolitan area without the drawbacks. In the past two decades, Burlington County has seen a 65 percent increase in the number of new homes. There are more than 136,000 residential homes in every price range. According to the latest market figures provided by TREND Multiple Listing Service, the 2016 average settled price of single-family homes in the County was $241,170. Current construction is keeping pace with the demands of a growing population and expanding business community. Popular housing areas include Burlington Township, Evesham, Mansfield, Medford, Moorestown, Pemberton and Mount Laurel where housing of many types exists and there is significant ongoing development.

Military Bases

The County is home to two military installations, McGuire Air Force Base and Fort Dix Army Reserve Training Center. Both have been given a larger role in the wake of the Base Realignment and Closure ("BRAC") process which has incorporated adjoining Lakehurst Naval Air Station on the eastern border of Fort Dix to create the Joint Base Dix-McGuire-Lakehurst ("Joint Base"). The Joint Base is a combined 42,000 acres central to Philadelphia, New York City and Atlantic City. The base is expected to acquire twenty-four KC-46A Pegasus aircraft to replace the legacy aircraft.

McGuire Air Force Base is now one of the largest and most active U.S. Air Force installations on the East Coast, employing 5,000 active duty military plus another 4,000 civilians. About 70 large aircraft are stationed on base. In the 1990s the base received more than $500 million in new construction. In 2001, the Air Force decided to station the newest cargo airlifter - the Boeing C-17 Globemaster - at the base, securing the base's future for generations. Another $100 million in new construction has recently been completed.

At Fort Dix, the expanding role of the U.S. Reserves in the post-Cold War era has made the post busier than ever. The 50 square mile post has adapted to include new sources of employment, including the largest federal prison in the country and a state youth correctional facility. The Navy, Veterans Affairs, National Oceanic & Atmospheric Administration, National Guard, State Police, FBI and U.S. Coast Guard's environmental cleanup response agency known as the Atlantic Strike Team all have operations out of Fort Dix. Fort Dix employs nearly 4,000 local residents. Additionally, a daily average of over 3,000 reservists train on the post. The Lakehurst Naval Air Engineering Station employs another 3,000 workers.

Fort Dix adds over $130 million to the local economy each year. McGuire contributes nearly $500 million annually to the County economy.

After the BRAC announcement in 2006 to create the Joint Base, hundreds of millions of dollars were committed to be spent on construction to create the Joint Base over the next 10 years. Fort Dix and McGuire Air Force Base are expected to create and receive 1,050 and 779 additional jobs, respectively. The Joint Base has created and will continue to create an influx of new construction jobs through key projects which currently total approximately $205.8 million and include a Marine air group headquarters, helicopter hangars, a joint use reserve training center and Navy fleet logistics support squadron aircraft operations and maintenance facility.

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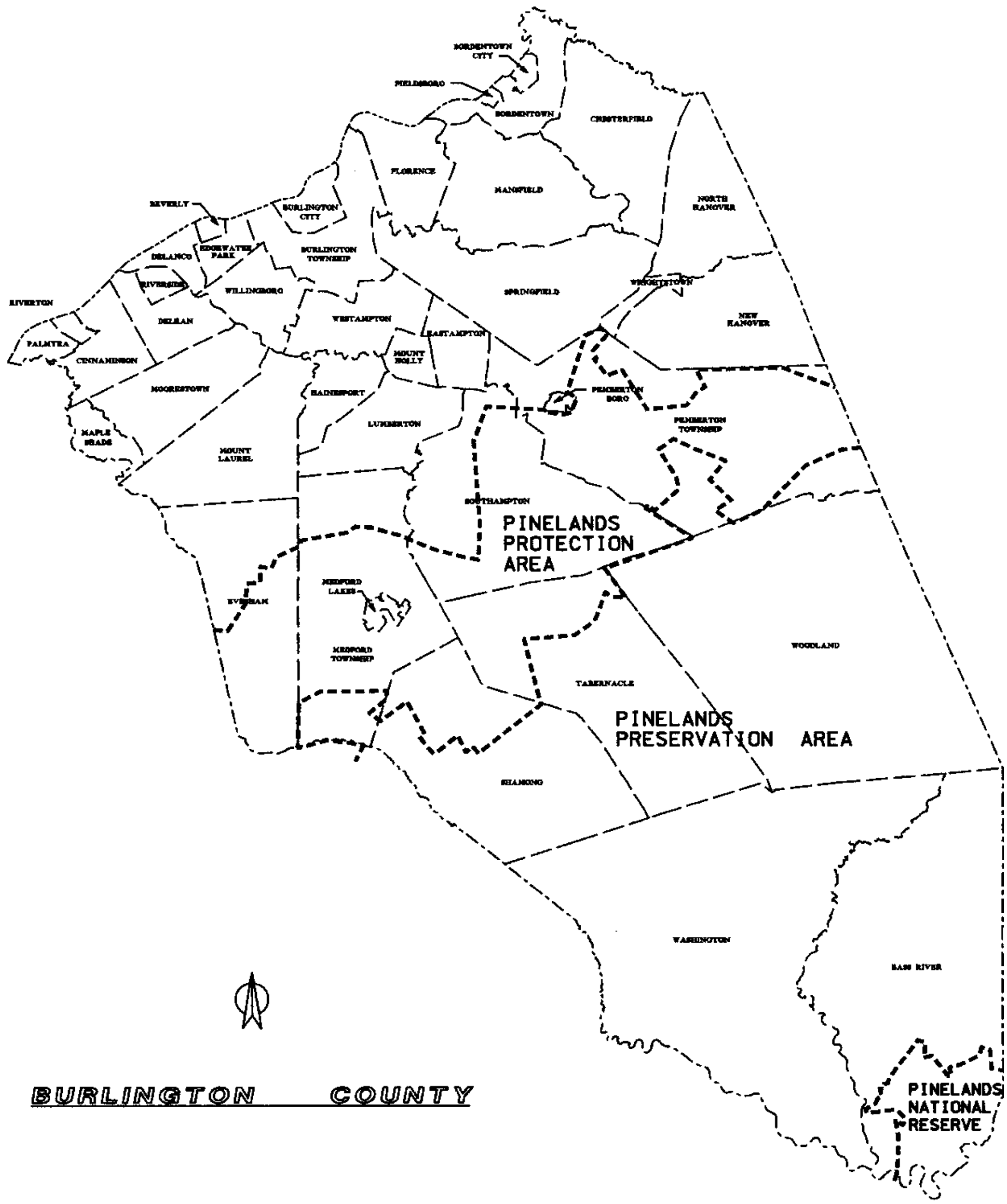
The Pinelands Planning Boundaries in Burlington County



Pinelands

The legislative mandate to protect the Pinelands is set forth in the National Parks and Recreation Act of 1978, signed by President Carter on November 10, 1978 ("Act"). The Act established the Pinelands National Reserve, encompassing parts of seven (7) southern New Jersey counties and all or parts of 56 municipalities. This includes all or part of parts of 14 County municipalities, totaling 346,600 acres. (The County covers 529,351 acres and is comprised of 40 municipalities). The Act also authorizes the establishment of a planning study responsible for preparing a Comprehensive Management Plan for the Reserve.

To comply with the federal statute, Governor Brendan T. Byrne issued Executive Order 71 on February 8, 1979, providing for the establishment of the Pinelands Planning Commission and making development in the Pinelands area subject to Commission approval during the planning period. In June 1979, the State Legislature passed the Pinelands Protection Act, thereby endorsing the planning restrictions on development. An amendment to this statute divided the Pinelands area into two planning segments, the Preservation and Protection Areas.

The New Jersey Pinelands Comprehensive Management Plan takes its direction from the acts which recognize the unique natural, physical, and cultural qualities of the Pinelands and the pressure for residential, commercial and industrial development.

Following its work program and legislative mandates, the Commission has adopted a plan for the Preservation Area (including 232,400 County acres).

PINELANDS MUNICIPALITIES WITHIN THE COUNTY

Municipality	Total Area Sq. Miles	Pinelands Nat'l Reserve	Pinelands Area	Preserved Area
Bass River Township	77.4	100%	88%	85%
Evesham Township	29.7	75%	55%	-0-
Medford Lakes Borough	1.3	100%	100%	-0-
Medford Township	40.3	78%	78%	12%
New Hanover Township	21.9	89%	89%	30%
North Hanover Township	17.4	1%	1%	-0-
Pemberton Township	64.7	91%	91%	19%
Shamong Township	46.6	100%	100%	74%
Southampton Township	43.3	74%	74%	-0-
Springfield Township	29.3	2%	2%	-0-
Tabernacle Township	47.6	100%	100%	77%
Washington Township	107.3	100%	-0-	100%
Woodland Township	95.4	100%	-0-	100%
Wrightstown Borough	1.7	74%	74%	-0-

Shopping Facilities

Shopping facilities in the County are as varied as they are excellent. In addition to the neighborhood stores of each community, the County has many of the nation's finest shopping centers in the region. The Moorestown Mall offers more than 1 million square feet of retail space that includes major department stores Boscov’s, Sears and Lord and Taylor.

Eastgate II and Eastgate Square, two shopping retail centers adjacent to the Moorestown Mall, house Home Depot, Old Navy, Dick's Clothing and Sporting Goods, Barnes & Noble, PetSmart, Best Buy, Ross Dress For Less, and Kitchen Kapers.

Built in the Townships of Burlington and Westampton, is the Towne Crossing Shopping Center which houses Home Depot, Target Department Store, Kohl's Department Store, Dick's Clothing and Sporting Goods, TGI Friday's and Office Max and a nearby Sears at the adjacent Burlington Center Mall that is being redeveloped.

Hartford Crossing, a shopping center located along Route 130 in Delran Township, contains a Shop Rite supermarket, a Lowes home improvement center and several smaller stores, shops and restaurants.

Centerton Square, which opened in early 2006, is a premier regional open-air shopping center located at the interchange of Interstate 295 and Route 38 in Mount Laurel Township. The shopping center contains approximately 732,000 square feet of gross floor area with national and regional retail tenants such as Target, Costco, DSW, Bed Bath & Beyond and Wegmans, an approximately 130,000 square-foot upscale food supermarket.

Rowan College at Burlington County (Formerly Burlington County College)

Rowan College at Burlington County (formerly Burlington County College) ("RCBC" or the "County College") is a comprehensive, publicly supported, coeducational, two-year institution developed by the County and the State and accredited by the Middle States Association of Colleges and Schools. The County College was founded in October 1965 and opened in September 1969. The 225-acre main campus is located on Pemberton-Browns Mills Road in Pemberton Township, while the Mount Laurel campus opened in July 1995. The Freeholder Board sponsors the College, appointing nine of the twelve Trustees.

In June 2015, the Rowan University Board of Trustees approved a resolution to partner with the County College thereby allowing students to obtain a bachelor's degree from Rowan University on the County College's Mount Laurel Campus. The unique partnership provides students the opportunity to seamlessly transition from the community college to the university. RCBC is the first community college in the region to offer junior-level courses as part of the "3+1" program in which students complete 75 percent of a Rowan University degree with the community college before completing their senior year at the university.

In July 2015, RCBC announced a transition from its original Pemberton Campus to the more accessible and modern Mount Laurel Campus, which will be completed by fall 2017. Located at the intersection of Route 38 and I-295, the 100-acre Mount Laurel campus is already home to the Technology and Engineering Center. Joining it as part of the transformed Mount Laurel campus is a new Health Sciences Center as well as a new Student Success Center - a 78,000 square foot, $25.4 million state-of-the-art building that will feature a one-stop shop for student services from enrollment to academic planning, knowledge commons library, bookstore, dining area and state-of-the-art technology. This building will serve as the gateway to the newly transformed Mount Laurel campus with a total investment of $55 million and renovation of 240,000 square feet.

The County College's fall 2016 enrollment in academic courses was 8,586 students. In addition, the County College serves thousands of other County residents each semester through youth programs, Learning is for Everyone, workforce development, theatrical productions, guest speakers, and art exhibitions.

The Board of Trustees governs the County College and certain fiscal matters are subject to review by the Board of School Estimate. The County College is not permitted to borrow for capital expenditures. Instead, the Board of Trustees and the Board of School Estimate certify the need for funding to the Board, which either currently appropriates the amount certified or authorizes the issuance of County debt, generally in accordance with the provisions of the Local Bond Law (See "COUNTY INDEBTEDNESS – Local Bond Law" and " - Debt of Rowan College at Burlington County (Formerly Burlington County College) and the Burlington County Institute of Technology" herein) except that no down payment is required.

Burlington County Institute of Technology

The Burlington County Board of Vocational Education was created by the Board in 1962 after a favorable referendum. The enrollment for the two campuses in Westampton and Medford is 2,001 students.

The Burlington County Institute of Technology ("BCIT") is governed by a consolidated Board of Education of the Special Services School District and the Vocational School District of the County of Burlington and certain fiscal matters are subject to the review of the Board of School Estimate. BCIT is not permitted to borrow for capital expenditures. Instead, the Board of Education and the Board of School Estimate certify the need for funding to the Board which either currently appropriates the amount certified or authorizes the issuance of County debt, generally in accordance with the provisions of the Local Bond Law (See "COUNTY INDEBTEDNESS – Local Bond Law" and " - Debt of Rowan College at Burlington County (Formerly Burlington County College) and the Burlington County Institute of Technology" herein) except that no down payment is required.

BCIT contributes to the County workforce each year an average of 485 high school seniors certified in one of 30 career and technical programs and, through its Adult School Division, approximately 540 adults who have completed either a certification or licensing program in one of the 35 career programs offered. The Superintendent of BCIT is the liaison between the education community of the County and business and industry.

Burlington County Special Services School District

The Burlington County Special Services School District ("Special Services School District") was created by the Board in June 1972. The Special Services School District is comprised of state-of-the-art facilities located in the Townships of Westampton, Lumberton, Medford, and Mount Laurel and programs are provided for: (1) the orthopedically handicapped, the multiple handicapped and the autistic; (2) elementary school students with severe emotional and social problems; (3) students ages fourteen (14) through sixteen (16) with educational needs which are beyond the capabilities of existing local school boards and regions; and (4) trainable mentally retarded young people from ages fourteen (14) to twenty-one (21). The enrollment for the Special Services School District is 695 students.

Recreation

The County provides a wealth of recreational opportunities, including eleven (11) public and private golf courses, several marinas, areas for gunning, fishing and hiking and displays of historical interest. All or part of six state forests and parks, including Wharton State park, are located in the County. The Wharton Mansion and the Village of Batsto have been restored to their appearance in colonial times.

In 1975, the County acquired the Smithville Estate, a 251-acre tract located in the southeast corner of Eastampton Township, and developed it as the County's first park. Included in the acquisition was the historic H.B. Smith Mansion which has been restored and houses many fine cultural and heritage activities. Smithville Lake is being developed into a many faceted water related recreational center.

The County is also actively developing a new Parks System which will provide access to the Delaware River and the Rancocas Creek, a variety of hiking and biking trails and other recreational amenities. The County has fourteen (14) parks with more than 1,000 acres of developed parkland, 3,500 acres of land slated for park development, and a regional trail system that will provide a link between the parks.

Museums and galleries are also an important part of County culture. The County has seven (7) cultural points of interest for people to visit: the Burlington County Lyceum of History and Natural Sciences, the Prison Museum, the Smithville Annex Gallery, the Smithville Visitor Center, the Warden's House Gallery, the Worker's House and Gallery, and the Underground Railroad Museum.

Business Atmosphere

The business community in the County is both sophisticated and diverse. Products range from handcrafted yachts to cranberry juice, from films of professional football games to fabrics which protect American astronauts. Firms producing computers, electronics, bio-medical machinery, fabricated metals and food products, along with insurance and financial firms, lead the private community.

From 2010 to 2014, the number of firms located in the County increased from 10,395 to 10,531, an increase of 1.3%. During the same time period, employment in the County expanded from 173,658 to 180,008, an increase of 3.7%[1].

Health Care

There are six (6) outstanding medical facilities located in the County. These include the world famous Deborah Heart and Lung Center; Virtua Health Systems in Mount Holly, Marlton and Moorestown; Rancocas Hospital in Willingboro, which is affiliated with the Lourdes Health System; and Hampton Hospital in Westampton.

[1] Source: US Census Bureau http://www.census.gov/quickfacts/table/BZA010214/34005,00

Labor Contracts

There are four (4) CWA Local #1036 units representing County employees: (1) the Main Unit; (2) the Supervisory Unit; (3) the Superintendent of Elections; and (4) the Prosecutor's Office Clerical Unit. Between March and June of 2013, the County entered into Collective Negotiations Agreements with each of these Units, covering the time period of January 1, 2011 through December 31, 2013. In March 2015, the County approved the execution of a Memorandum of Agreement with the CWA Local #1036, Main Unit, Supervisory Unit and Superintendent of Elections covering the time period of January 1, 2014 through December 31, 2015. On December 9, 2015, the Board approved the execution of Collective Negotiations Agreements between the County and CWA Local #1036, Main Unit, Supervisory Unit and Superintendent of Elections covering the time period of January 14, 2014 through December 31, 2015. On December 9, 2015, a Memorandum of Agreement between the County and CWA Local #1036, Prosecutor's Office Clerical Unit was approved for the period of January 1, 2014 through December 31, 2015. This Memorandum of Agreement was also ratified by the members of CWA Local #1036, Prosecutor's Office Clerical Unit. Negotiations for a successor Collective Negotiations Agreement are ongoing.

PBA Local #249 represents County corrections officers and superior corrections officers. The County received an interest arbitration award on November 26, 2012 for the corrections officers' unit covering the period of January 1, 2012 through December 31, 2014. Pursuant to State law, the terms of the award have been implemented. The contract with the superior corrections officers expired on December 31, 2011. The County reached a Memorandum of Agreement with the superior corrections officers bargaining unit which was ratified by both the Board and respective unit members. The matter was not settled during negotiations and the parties are scheduled for Interest Arbitration in November 2017. Negotiations with the Superior Officers unit have not yet commenced.

All County Sheriffs' Officers are represented by FOP Lodge #166. In September 2013, the parties received an interest arbitration award that covers the time period of January 1, 2009 through December 31, 2011 and, in October 2013, the parties memorialized the arbitration award in a Collective Negotiations Agreement. The County approved a successor Collective Negotiations Agreement in December, 2014, covering the time period of January 1, 2012 through December 31, 2017. The Collective Negotiations Agreement was executed on February 20, 2015. Negotiations for a successor Collective Negotiations Agreement are ongoing.

On March 23, 2016, a Collective Negotiations Agreement between the Board and PBA Local #320, Detectives and Investigators was approved for the period of January 1, 2014 through December 31, 2016 and the parties executed the Collective Negotiations Agreement on March 24, 2016. This Collective Negotiations Agreement was also ratified by the members of PBA Local #320, Detectives and Investigators. Negotiations for a successor Collective Negotiations Agreement are ongoing.

On December 9, 2015, a Memorandum of Understanding between the Board and PBA Local #320, Sergeants and Lieutenants was approved for the period of January 1, 2011 through December 31, 2016. This Memorandum of Understanding was also ratified by the members of PBA Local #320, Sergeants and Lieutenants. In October 2016, the parties executed a Collective

Negotiations Agreement covering the time period of January 1, 2014 through December 31, 2016. Negotiations for a successor Collective Negotiations Agreement are ongoing.

The Assistant Prosecutors Association was formed in 2010 and the parties were engaged in negotiations for over two (2) years for an initial contract. On June 12, 2013, the County approved a form of contract with this Unit that covers the time period of January 1, 2010 through December 31, 2013. The Collective Negotiations Agreement was executed on June 26, 2013. In November, 2014, the parties executed a successor agreement covering the time period January 1, 2014 through December 31, 2017. Negotiations for a successor Collective Negotiations Agreement are ongoing.

Accumulated Vacation and Sick Pay

Under the existing policies of the County, employees upon retirement will receive one-half of the accumulated unused sick leave to a maximum of $15,000. Unused accumulated vacation is paid for at straight time.

As of December 31, 2016, the accumulated cost of unused sick and vacation time has been calculated as $6,722,548.16, but has not been recorded in the financial statements. These charges are paid when an employee leaves the employment of the County from a dedicated reserve account. This reserve account is replenished each year from monies appropriated in the annual budget.

Pension Costs

Those County employees who are eligible for pension coverage are enrolled in one of three pension systems established by acts of the State Legislature. Benefits, contributions, means of the funding and the manner of administration are determined by the State.

County Employees

As of December 31, 2016, the County employed 1,255 full-time employees and 169 part-time employees.

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TWENTY LARGEST TAXPAYERS[1]

The following is a list of the 20 largest taxpayers located within the County and their 2015 assessed valuations:

Name	Type of Business	Assessed Valuation
Whitesell Enterprises	Real Estate/Construction	$379,038,300
Rouse-Moorestown, Inc.	Moorestown Mall	127,080,100
Davis & Associates	Real Estate/Hotel	121,774,800
Brandywine Operating Partnership	Real Estate	104,989,600
Eastgate Center	Real Estate	96,414,100
Deerfield Associates	Apartments	88,361,200
East Coast Apartments	Apartments	83,322,800
TD Bank	Financial Institution	74,136,000
Verizon	Public Utility	69,085,772
Mack-Cali Realty Corporation	Real Estate	63,201,400
P.S.E.&G.	Public Utility	62,895,700
Maplewood III, LLC	Apartments	58,554,500
The Estaugh	Senior Citizen Housing	58,270,400
Lockheed Martin	Defense Contractor	51,082,500
Centerton Square	Real estate	48,718,700
CVS Pharmacy	Pharmaceuticals	48,308,000
1900 River Road, LLC	Office/Warehouse	40,561,800
Berk & Berk at Hunters Glen, LLC	Apartments	40,415,500
N.A.D.E.	Automotive	38,270,600
Mt. Laurel Crossing, LLC	Apartments	38,018,400

TEN LARGEST PRIVATE EMPLOYERS[2]

Virtua Memorial Hospital	5,473
TD Bank	3,726
Lockheed Martin	3,543
Burlington Stores (Coat Factory)	2,565
Viking Yacht Co. Corp.	1,586
CVS Corporation	1,573
PHH Mortgage	1,302
Automotive Resources International (ARI)	1,210
Deborah Heart and Lung Center	1,103
Eickhoff ShopRites	1,026

By comparison, the County employed 1,255 full-time employees as of December 31, 2016.

[1] Source: Burlington County Board of Taxation.
[2] Source: Burlington County Bridge Commission Department of Economic Development and Regional Planning – 2015.

2017 COUNTY BUDGET[1]

CURRENT FUND

ANTICIPATED REVENUES:	
Fund Balance	$6,040,000.00
Miscellaneous Revenues	36,548,791.00
Amount to be Raised by Taxation – County Purpose	155,470,000.00
TOTAL ANTICIPATED REVENUES	$198,058,791.00
APPROPRIATIONS:	
Operations	$150,022,590.00
Debt Service	32,468,340.00
Deferred Charges & Statutory Expenditures	15,567,861.00
TOTAL APPROPRIATIONS	$198,058,791.00

SOLID WASTE UTILITY

ANTICIPATED REVENUES:	
Fund Balance	$5,688,691.68
Miscellaneous Revenues:	
Sludge Disposal Fees	2,475,000.00
Solid Waste Fees*	22,425,000.00
Miscellaneous	1,215,215.30
TOTAL ANTICIPATED REVENUES	$31,803,906.98
APPROPRIATIONS:	
Operating	$19,517,354.00
Debt Service	9,292,730.00
Deferred Charges and Statutory Expenditures	2,993,822.98
TOTAL APPROPRIATIONS	$31,803,906.98

* Solid waste tipping fees for 2017 are currently being billed at $80.61 per ton (consisting of the base rate of $72.72 per ton, Recycling Enhancement Tax of $3.00 per ton, Host Community Benefit fees of $3.06 per ton, Sanitary Landfill Closure and Contingency Fund Tax of $1.50 per ton, and County solid waste enforcement fee of $0.33 per ton) and assumes 2016 solid waste tonnages, without solid waste "flow control". See "SOLID WASTE FLOW CONTROL" herein for a discussion of the re-institution of solid waste "flow control" in the County as of June 15, 2012.

[1] The 2017 County Budget was adopted on July 12, 2017.

CAPITAL PROGRAM[1]
PROJECTS FOR THE YEARS 2017-2022

	ESTIMATED TOTAL COST	BOND AND NOTES GENERAL	GRANTS IN AID AND OTHER FUNDING	FUTURE YEARS
Design, construction, reconstruction and resurfacing of various roadways, bridges and drainage systems, including acquisition of various right-of-way easements therefore, within the County and improvements to various traffic signal systems within the County	$238,300,650	$34,460,000	$22,913,100	$180,927,550
Acquisition of minor capital equipment for various County departments	9,942,680	7,390,000	-	2,552,680
Renovations and Improvements to the Juvenile Detention Facility and CWRC	2,750,000	500,000	-	2,250,000
Acquisition of Vehicles for Various County Departments	11,339,600	2,100,000	-	9,239,600
Renovations and Improvements to the Human Services Building	2,000,000	2,000,000	-	-
Renovations and Improvements and Remediation at Various County Facilities	24,336,000	15,550,000	-	8,786,000
TOTALS	$288,668,930	$62,000,000	$22,913,100	$203,755,830

[1] The 2017-2022 County Capital Program was adopted on July 12, 2017.

TAX COLLECTIONS[1]

YEAR	TAX LEVY	COLLECTED AMOUNT	YEAR OF LEVY PERCENTAGE
2016	$155,500,000.00	$155,500,000.00	100%
2015	155,523,014.00	155,523,014.00	100%
2014	152,523,014.00	152,523,014.00	100%
2013	153,082,777.83	153,082,777.83	100%
2012	148,049,819.00	148,049,819.00	100%
2011	154,250,000.00	154,250,000.00	100%

EQUALIZED VALUATIONS ON WHICH COUNTY TAXES ARE APPROPRIATED AND ANNUAL COUNTY TAX RATE

YEAR	EQUALIZED VALUATIONS	COUNTY TAX RATE[2]
2016	$46,537,864,890	0.3360
2015	45,775,613,439	0.3413
2014	45,777,005,659	0.3354
2013	46,329,111,779	0.3341
2012	48,206,959,031	0.3091
2011	50,005,099,970	0.3096

COUNTY OPEN SPACE, RECREATION, AND FARMLAND AND HISTORIC PRESERVATION TRUST FUND

YEAR	TAX RATE[2]
2016	0.0400
2015	0.0400
2014	0.0150
2013	0.0150
2012	0.0400
2011	0.0400

COUNTY LIBRARY TAX

The County has a County Library for which there is a separate county library tax rate based upon equalized valuations for those constituent municipalities that participate.

YEAR	COUNTY LIBRARY TAX RATE[3]
2016	0.0312
2015	0.0317
2014	0.0308
2013	0.0302
2012	0.0291
2011	0.0293

[1] County taxes are levied and collected directly from the constituent municipalities.
[2] Per $100 of equalized valuation.
[3] Excludes the Townships of Moorestown, Mount Laurel and Willingboro, which operate their own libraries from their municipal budgets.

COUNTY OF BURLINGTON, NEW JERSEY
2016 REAL PROPERTY CLASSIFICATION

VACANT	$542,561,300	1.26%
RESIDENTIAL	33,752,264,825	78.19
FARM	520,567,539	1.21
COMMERCIAL	5,625,557,512	13.03
INDUSTRIAL	1,492,953,012	3.46
APARTMENTS	1,235,458,550	2.86
TOTAL[1]	$43,169,362,738	100.00%

FIVE YEAR COMPARISON
REAL PROPERTY CLASSIFICATION

	2012	2013	2014	2015	2016
VACANT	$ 589,256,500	$ 558,566,960	$ 579,022,450	$ 546,872,420	$ 542,561,300
RESIDENTIAL	33,344,354,747	32,666,054,147	33,408,876,262	33,448,862,807	33,752,264,825
FARM	580,500,255	562,261,807	540,411,604	529,598,244	520,567,539
COMMERCIAL	5,324,136,405	5,235,997,822	5,862,422,382	5,824,277,412	5,625,557,512
INDUSTRIAL	1,517,321,023	1,414,711,023	1,506,113,623	1,497,314,612	1,492,953,012
APARTMENTS	1,174,677,950	1,146,220,550	1,211,644,450	1,214,841,550	1,235,458,550
TOTAL[1]	$42,530,246,880	$41,583,812,309	$43,108,490,771	$43,061,767,045	$43,169,362,738

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[1] Does not include taxable value of machinery, etc., of Telephone, Telegraph and Messenger System Companies.

STATEMENT OF EQUALIZED VALUATIONS
FOR CONSTITUENT MUNICIPALITIES

	2016			2015			2014		
	Equalized Value-Land and Improvements	Equalized Valuation on Which County Taxes are Apportioned	Per-centage (1)	Equalized Value-Land and Improvements	Equalized Valuation on Which County Taxes are Apportioned	Per-centage (1)	Equalized Value-Land and Improvements	Equalized Valuation on Which County Taxes are Apportioned	Per-centage (1)
Bass River Township	$170,483,000	$190,269,922	0.41%	$159,113,790	$177,090,274	0.39%	$160,759,601	$176,983,552	0.39%
Beverly City	120,348,200	117,741,157	0.25%	119,964,000	113,492,888	0.25%	121,033,423	117,961,711	0.26%
Bordentown City	331,157,100	339,858,515	0.73%	333,656,606	356,200,013	0.78%	338,871,933	348,002,787	0.76%
Bordentown Township	1,156,887,862	1,296,216,501	2.79%	1,159,654,679	1,307,744,435	2.86%	1,177,714,026	1,305,555,102	2.85%
Burlington City	628,160,600	651,053,946	1.40%	630,266,300	659,360,579	1.44%	635,439,610	636,874,099	1.39%
Burlington Township	2,243,604,957	2,521,626,938	5.42%	2,192,554,551	2,293,204,680	5.01%	2,209,715,236	2,241,817,759	4.90%
Chesterfield Township	746,281,700	744,392,758	1.60%	730,924,803	729,679,569	1.59%	724,377,407	709,845,894	1.55%
Cinnaminson Township	1,605,926,100	1,801,221,799	3.87%	1,594,967,472	1,753,305,792	3.83%	1,591,367,241	1,736,176,256	3.79%
Delanco Township	393,669,100	423,670,883	0.91%	391,641,394	423,688,729	0.93%	392,036,500	416,394,770	0.91%
Delran Township	1,403,166,692	1,501,077,722	3.23%	1,399,747,792	1,538,686,754	3.36%	1,403,370,633	1,556,849,076	3.40%
Eastampton Township	428,323,700	454,684,509	0.98%	428,042,701	465,975,489	1.02%	428,423,586	473,952,326	1.04%
Edgewater Park Township	595,612,900	535,568,359	1.15%	604,096,000	583,599,733	1.27%	608,503,020	654,847,299	1.43%
Evesham Township	5,202,168,931	5,217,975,982	11.21%	5,221,728,920	5,137,560,602	11.22%	5,196,459,478	5,047,116,559	11.03%
Fieldsboro Borough	52,721,100	50,544,415	0.11%	53,083,927	48,871,862	0.11%	56,132,471	51,971,077	0.11%
Florence Township	1,246,035,100	1,196,012,460	2.57%	1,257,944,541	1,165,611,174	2.55%	1,271,538,445	1,207,951,318	2.64%
Hainesport Township	760,786,600	801,527,067	1.72%	761,053,271	780,920,684	1.71%	762,750,681	780,765,445	1.71%
Lumberton Township	1,391,295,993	1,325,005,976	2.85%	1,391,372,996	1,349,818,549	2.95%	1,396,460,946	1,349,322,042	2.95%
Mansfield Township	983,279,900	1,201,640,486	2.58%	953,750,426	1,132,466,963	2.47%	951,355,510	1,130,517,781	2.47%
Maple Shade Township	1,282,778,800	1,415,073,933	3.04%	1,294,374,032	1,431,769,335	3.13%	1,296,656,400	1,534,967,517	3.35%
Medford Township	2,980,269,200	3,278,863,014	7.05%	2,972,790,205	3,128,816,643	6.84%	2,970,853,153	3,145,328,147	6.87%
Medford Lakes Borough	449,451,500	450,141,350	0.97%	450,102,534	456,160,836	1.00%	450,478,663	460,648,829	1.01%
Moorestown Township	4,010,412,400	4,782,077,915	10.28%	3,972,812,386	4,680,281,660	10.22%	3,941,183,000	4,286,254,866	9.36%
Mount Holly Township	652,601,500	595,356,898	1.28%	646,720,773	595,346,901	1.30%	650,202,657	596,263,126	1.30%
Mount Laurel Township	5,773,518,400	6,293,131,625	13.52%	5,790,653,194	6,156,453,923	13.45%	5,786,157,100	6,395,426,411	13.97%
New Hanover Township	60,841,800	82,638,973	0.18%	60,508,768	80,362,839	0.18%	62,026,574	70,439,357	0.15%
North Hanover Township	424,369,303	420,863,296	0.90%	422,232,797	402,532,175	0.88%	420,203,797	410,445,398	0.90%
Palmyra Borough	478,067,800	517,425,175	1.11%	478,745,221	542,714,144	1.19%	479,413,048	532,700,762	1.16%
Pemberton Borough	102,986,200	111,093,089	0.24%	64,341,100	115,140,316	0.25%	64,880,124	113,811,512	0.25%
Pemberton Township	882,670,735	1,454,842,682	3.13%	884,792,871	1,458,915,651	3.19%	885,654,630	1,483,929,960	3.24%
Riverside Township	438,314,350	424,345,644	0.91%	439,090,250	423,780,750	0.93%	444,648,262	433,814,119	0.95%
Riverton Borough	242,229,300	263,576,762	0.57%	241,817,400	255,483,001	0.56%	241,818,548	257,409,225	0.56%
Shamong Township	662,337,300	696,748,862	1.50%	663,723,231	710,855,608	1.55%	663,739,219	697,344,083	1.52%
Southampton Township	995,642,900	1,087,854,735	2.34%	997,652,324	1,078,910,814	2.36%	998,205,573	1,081,686,129	2.36%
Springfield Township	383,696,840	401,868,515	0.86%	386,308,823	391,454,551	0.86%	391,255,670	402,201,912	0.88%
Tabernacle Township	659,565,200	696,833,739	1.50%	660,302,094	706,133,339	1.54%	663,059,703	698,645,267	1.53%
Washington Township	95,951,700	93,224,871	0.20%	96,350,955	97,297,599	0.21%	96,142,541	96,996,621	0.21%
Westampton Township	1,153,495,800	1,170,562,416	2.52%	1,146,278,979	1,091,864,932	2.39%	1,176,955,207	1,165,838,789	2.55%
Willingboro Township	1,870,579,900	1,754,858,163	3.77%	1,877,469,900	1,777,756,320	3.88%	1,877,738,674	1,794,270,588	3.92%
Woodland Township	159,486,100	141,681,141	0.30%	162,435,300	140,637,097	0.31%	166,705,823	135,919,196	0.30%
Wrightstown Borough	25,947,500	34,712,697	0.07%	26,219,850	35,666,236	0.08%	26,290,850	39,758,992	0.09%
	$43,245,124,063	$46,537,864,890	100.00%	$43,119,287,156	$45,775,613,439	100.00%	$43,180,578,963	$45,777,005,659	100.00%

Source: County Abstract of Ratables

(1) Represents portion of County taxes levied on constituent municipalities.

CERTAIN PROVISIONS OF THE LAWS OF NEW JERSEY RELATING TO COUNTY FINANCIAL OPERATIONS

Annual Audit (*N.J.S.A.* 40A:5-4)

Since 1917, every county of the State must be audited annually by a Registered Municipal Accountant of the State. The annual audit, conforming to the Division of Local Government Services "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the county and the Director of the Division of Local Government Services in the State Department of Community Affairs ("Director") prior to June 30 of each year unless extensions are granted.

The New Jersey State Board of Accountancy regulates Registered Municipal Accountants.

Annual Financial Statement (*N.J.S.A.* 40A:5-12)

An Annual Financial Statement must be filed with the Director and is due by January 26 of the succeeding year. The Financial Statement is prepared by the Chief Financial Officer for the County. It reflects the results of operations of the year of the Current Fund and Solid Waste Utility Fund. If there is a cash deficit in the fund it must be included in full in the succeeding year's budget.

Local Budget Law (*N.J.S.A.* 40A:4-1 *et seq.*)

In 1939, the State enacted a law requiring every county to adopt the annual budget on a "cash basis". Every budget, after approval by the local unit, must be certified by the Director before final adoption.

The statute requires each county to appropriate funds for annual debt service, and the Director is required to review the adequacy of these appropriations.

The Director is also required to review each budget to be certain that no revenues are anticipated in excess of the cash realized in the prior year. Any deviation must be approved by the Director. A Reserve For Uncollected Taxes (hereinafter defined) must be included in the budget predicated upon the close of the fiscal year December 31.

Revenue

The County derives its revenue from State and Federal Aid, departmental fees and tax levy on real property. The primary source of revenue is the County taxes, which are apportioned among the constituent municipalities in proportion to their share of equalized, assessed valuation.

The municipalities in the County make quarterly payments of the County taxes on February 15, May 15, August 15 and November 15 of each year.

Cap Law (*N.J.S.A.* 40A:4-45.4)

A statute passed in 1976, as amended (*N.J.S.A.* 40A:4-45.1 *et seq*.), commonly known as the "Cap Law", imposed limitations on increases in local unit appropriations subject to various exceptions. On August 20, 1990, the Governor signed into law P.L. 1990, c.89, which revised and made permanent the "Cap Law". Since its inception, the "Cap Law" has been amended and modified several times, most recently on July 13, 2010. While the revised "Cap Law" is more restrictive on the ability of a local unit to increase its overall appropriations, it does not limit the obligation of the local unit to levy *ad valorem* taxes upon all taxable real property within the jurisdiction of the local unit to pay debt service on the bonds and notes. The Cap Law provides that a local unit shall limit any increase of its budget to 2.5% or the index rate, whichever is less, over the previous year's final appropriations subject to certain exceptions. The "index rate" is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services computed by the United States, Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law.

Additionally, legislation constituting P.L. 2010, c.44, was adopted on July 13, 2010, which, among other things, imposes a two percent (2%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.0%; (iii) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.0% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (*N.J.S.A.* 52:14-17.25 *et seq*.), as annually determined by the Division of Pensions and Benefits in the State Department of the Treasury; and (iv) and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. The amendments to the tax levy sections of the "Cap Law" (specifically, *N.J.S.A.* 40A:4-45-46) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

Neither the tax levy limitation nor the "Cap Law" limits the obligation of the County to levy *ad valorem* taxes upon all taxable real property within the jurisdiction of the County to pay debt service on its bonds or notes.

Miscellaneous Revenues (*N.J.S.A.* 40A:4-26)

The Local Budget Law provides that: "No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit".

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval thereof with the exception of inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation.

Real Estate Taxes

The same general principal that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. *N.J.S.A.* 40A:4-29 delineates anticipation of delinquent tax collections: "The maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year".

Section 41 of the Local Budget Law provides with regard to the current taxes that: "Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by December 31, of such preceding fiscal year".

Section 40 of the Local Budget Law requires that an additional amount ("Reserve For Uncollected Taxes") be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will be at least equal to the tax levy required to balance the budget.

Deferral of Current Expenses

Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the Board.

Such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3%) of the previous year's adopted operating budget, consent of the Director must be obtained.

Budget Transfers (*N.J.S.A.* 40A:4-58)

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year and, although sub-accounts within an appropriation are not subject to the same year-end transfer restrictions, they are subject to internal review and approval.

Capital Budget (*N.J.S.A.* 40A:4-43 through 40A:4-45)

The Local Finance Board in the Division of Local Government Services in the State Department of Community Affairs ("Local Finance Board") has required every local unit to prepare and to adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Every local unit which adopts a capital budget shall also adopt a capital program not to exceed six years in length.

Related Constitutional and Statutory Provisions

In the general election of November 2, 1976, as amended by the general election of November 6, 1984, the following Article 8, Section 1, Paragraph 7, with respect to a state income tax, was added to the State Constitution:

> No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal incomes be levied on payments received under the federal Social Security Act, the federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

A progressive state income tax is currently in effect in the State.

The State Constitution may only be amended after (i) approval of a proposed amendment by three-fifths of all of the members of each house of the Legislature and approval by a majority vote in a statewide referendum; or (ii) approval in two successive legislative years by a majority of all the members of each house and approval by a majority vote in a statewide referendum. Amendments failing to receive voter approval may not be resubmitted for voter approval before the third succeeding general election after such disapproval.

Limitation of Remedies Under Federal Bankruptcy Code

The rights and remedies of the registered owners of bonds and notes issued by the County are subject to the provisions of Chapter 9 of the Federal Bankruptcy Code of the United States ("Bankruptcy Code"). In general, Chapter 9 permits, under prescribed circumstances, but only after an authorization by the applicable state legislature or by a government officer or organization empowered by state law to give such authorization, a political subdivision of a state to file a petition for relief in a bankruptcy court of the United States if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts.

The State has authorized the political subdivisions thereof to file such petitions for relief under the Bankruptcy Code pursuant to and subject to Article 8 of the State Municipal Finance Commission Act. This Act provides that such petitions may not be filed without the prior approval of the Municipal Finance Commission ("Commission") and that no plan or readjustment of the municipality's debts may be filed or accepted by the petitioner without express authority from the Commission to do so. See "COUNTY INDEBTEDNESS - The Municipal Finance Commission" herein.

The above references to the Bankruptcy Code are not to be construed as an indication that the County expects to resort to the provisions of the Bankruptcy Code or that, if it did, such action would be approved by the Commission, or that any proposed plan would include a dilution of the source of payment of and security for the bonds and notes issued by the County.

The summaries of and references to the State Constitution and other statutory provisions above are not and should not be construed as comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein.

COUNTY INDEBTEDNESS

Local Bond Law (*N.J.S.A.* 40A:2-1 *et seq.*)

The Local Bond Law governs the issuance of bonds and notes by the County to finance certain capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded, that bonds be retired in serial installments and that cash down payments equal to at least five percent (5%) of the bond authorization be generally provided.

Debt Limitation (*N.J.S.A.* 40A:2-6)

The authorized bond indebtedness of the County is limited by statute, subject to the exceptions as noted below, to an amount equal to two percent (2%) of its equalized valuation basis. The equalized valuation basis of the County is set by statute as the average for the last three (3) years of the sum total of the equalized value of all taxable real property and improvements and the assessed valuation of certain Class II railroad property within its boundaries as annually determined by the Director of the Division of Taxation in the State Department of the Treasury. The County is within its two percent debt limit. See "DEBT RATIOS AND VALUATIONS" herein.

Exceptions to Debt Limit-Extensions of Credit (*N.J.S.A.* 40A:2-7)

The debt limit of the County may be exceeded with the approval of the Local Finance Board, a State regulatory agency. If all or any part of a proposed debt authorization would exceed its debt limit, the County must apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the ability of the County to meet its obligations or to provide essential services or make other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued without the approval of the Local Finance Board to fund certain notes and for self-liquidating purposes and in each fiscal year in an amount not exceeding two-thirds of the amounts budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for assessments and utility purposes).

Short Term Financing (*N.J.S.A.* 40A:2-8)

The County may issue bond anticipation notes to temporarily finance capital improvements. Bond anticipation notes, which are full faith and credit obligations of the County, may be issued for a period not exceeding one year. They may be renewed for additional periods not exceeding one year. However, all such notes shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes.

The Municipal Finance Commission (*N.J.S.A.* 52:27-1 *et seq.*)

The Municipal Finance Commission ("Commission") was created in 1931 to assist in the financial rehabilitation of municipalities, which had defaulted in their obligations. The powers of the Commission are exercised today by the Local Finance Board. The previously discussed elements of the local finance system are intended to prevent default on obligations or occurrence of severe fiscal difficulties in any local unit. Should extreme economic conditions adversely affect any local unit, the "Municipal Finance Commission Statutes" are available to assist in restoring the stability of the local unit.

Any holder of bonds or notes which are in default for over sixty (60) days (for payment of principal or interest) may bring action against such municipality in the State's Superior Court. Any municipality may declare itself unable to meet its obligations and bring action in such court. In either case, the court's determination that the municipality is in default or unable to meet its obligations causes the Commission to become operative in that municipality.

The Commission exercises direct supervision over the finances and accounts of any local unit under its jurisdiction. The Commission is authorized to appoint an auditor to examine and approve all claims against the municipality and to serve as comptroller for that community. The Commission is also directed to supervise tax collections and assessments, to approve the funding of municipal school district indebtedness, the adjustment or composition of the claims of creditors and the readjustment of debts under the Federal Municipal Bankruptcy Act. Such Act permits municipalities to have access to bankruptcy court for protection against suits by bondholders and creditors.

The Local Finance Board also serves as the "Funding Commission" to exercise supervision over the funding or refunding of local government debt. Any county or municipality seeking to adjust its debt service must apply to and receive the approval of such Funding Commission for the proposed reorganization of its debt.

Debt of Rowan College at Burlington County (Formerly Burlington County College), the Burlington County Institute of Technology and the Burlington County Special Services School District

The County College, BCIT (County vocational school) and Burlington County Special Services School District are not permitted to issue debt obligations. Instead, the County itself must issue debt for County College projects in accordance with *N.J.S.A.* 18A:64A-19 *et seq.,* which generally requires compliance with the Local Bond Law except that no down payment is required. The County itself must also issue debt for BCIT projects in accordance with *N.J.S.A.* 18A:54-31 and for Burlington County Special Services School District projects in accordance with *N.J.S.A.* 18A:46-42 each of which, likewise, generally require compliance with the Local Bond Law except that debt limitations and down payment requirements contained in the Local Bond Law do not apply.

SOLID WASTE UTILITY

The County owns and operates the Burlington County Resource Recovery Complex located in the Townships of Florence and Mansfield, New Jersey ("Complex") which provides solid waste processing and disposal services in accordance with the New Jersey Solid Waste Management Act, constituting Chapter 39 of the Pamphlet Laws of 1970 of the State of New Jersey, as amended and supplemented, and the regulations promulgated thereunder (collectively, the "Solid Waste Management Act"). The Complex consists of two sanitary landfills (respectively, "Landfill No. 1" and "Landfill No. 2"), processing and storage facilities for bulky waste and recyclables, a scale house, a research greenhouse, a hazardous waste facility for household and small quantity generator waste, a leachate/wastewater treatment facility, maintenance facilities, a co-composting facility, and a methane gas electric generating facility. Pursuant to *N.J.S.A.* 13:1E-27, the Complex is deemed a public utility ("Utility") and subject to the jurisdiction of the New Jersey Department of Environmental Protection ("NJDEP"). Authority for the economic regulation of the solid waste industry was formally vested with the Board of Public Utilities. By order dated February 1, 1989, the State Board of Public Utilities issued a Certificate of Public Convenience and Necessity and awarded a solid waste disposal franchise to the Board for Waste Types 10, 13, 23, 25 and 27.

Between February 1989 and December 1999, solid waste was deposited in the 54-acre Landfill No. 1. Landfill No. 1 was capped and closed in February 2003. In November 1997, the County received approval from the NJDEP to construct Landfill No. 2, consisting of 69 acres and containing 26 sections ranging in size from 2 to 4.2 acres. Landfill No. 2 was designed to be constructed in five (5) phases and began accepting solid waste in August 1999. The County completed construction of Phases 1 through 5 (sections 1-26) in December 2013. In addition, the County has begun construction of Phase 6, which is a horizontal expansion of Landfill No. 2 to provide for the County's waste disposal needs through the year 2027. Upon completion of this Phase 6 preliminary engineering and design work, the County submitted a permit application for Phase 6 with the NJDEP in October 2014.

The finances of the Complex are governed pursuant to the County Solid Waste Disposal Financing Law, *N.J.S.A.* 40:66A-31.1 *et seq*. As a solid waste Utility, the Complex is deemed to be a self-liquidating purpose if the cash receipts from fees, rents or other charges in a fiscal year are sufficient to meet operating and maintenance costs and interest and debt redemption charges payable in such year without recourse to general taxation.

The Utility is supported by revenues generated by the operation of the Complex. A separate budget is established for the Utility. The anticipation of revenues and appropriations for the Utility is set forth in such separate budget, which is required to be balanced and to fully provide for debt service. See "2016 COUNTY BUDGET - SOLID WASTE UTILITY" herein. The State budget regulations for local governments, including the County, regarding anticipation of revenue and deferral of charges apply equally to the budget of the Utility. Deficits or anticipated deficits in Utility operations, which cannot be provided for from the Utility surplus, if any, are required to be raised in the "current" or operating budget of the local government. See "CERTAIN PROVISIONS OF THE LAWS OF NEW JERSEY RELATING TO COUNTY FINANCIAL OPERATIONS" herein for a description of the budgeting process for counties and municipalities in the State. The debt obligations issued by the County incident to the Complex are general obligations of the County, payable ultimately from *ad valorem* taxes levied upon all taxable real property within the jurisdiction of the County without limitation as to rate or amount to the extent payment is not otherwise provided from the Utility.

SOLID WASTE FLOW CONTROL

Pursuant to the Solid Waste Management Act, a County-wide solid waste management system has been implemented by the County in accordance with the Burlington County District Solid Waste Management Plan ("County Plan"). The County Plan was approved by the NJDEP on December 13, 1979. Landfill No. 1 opened in February 1989 and the County directed solid waste generated from within the County to Landfill No. 1 pursuant to the State of New Jersey's waste flow control system.

On May 16, 1994, the Supreme Court of the United States held that certain "flow control" legislation was unconstitutional in the case of C & A Carbone v. Clarkstown, 128 L.Ed. 2d 399 (1994). The County-wide solid waste management system was determined to be unconstitutional based upon the decision in Atlantic Coast Demolition & Recycling, Inc. v. Board of Chosen Freeholders of Atlantic County, 112 F.3d 652 (3d Cir. 1997). In response thereto, the County made certain amendments to its solid waste management system in accordance with the findings of the federal courts in the *Atlantic Coast* case and the requirements of the Solid Waste Management Act and related statutes. The first County Plan Amendment occurred in September 1997 ("Amendment 97-1"). Amendment 97-1 set forth a plan for the County to procure voluntary service contracts for the disposal of solid waste with municipalities, solid waste haulers and waste generators to ensure sufficient revenues to meet its financial obligations at the Complex. Currently, the County has executed solid waste delivery agreements with thirty-seven out of forty of its constituent municipalities for waste processing and disposal services and recycling collection services through December 31, 2017 or later.

On April 30, 2007, the Supreme Court of the United States held that a waste flow control ordinance that directed waste to a facility owned and operated by a public entity was not unconstitutional under the decision in United Haulers Association v. Oneida Herkimer Solid Waste Management Authority, 550 U.S. 330 (2007). As a result of the U.S. Supreme Court's decision, on December 14, 2011, the Board of Chosen Freeholders of the County adopted a further amendment to the County Plan ("Amendment 11-3") which was similar in its effect to the ordinance upheld in the Oneida Herkimer case. Amendment 11-3 was approved by Order of the NJDEP Commissioner dated June 15, 2012. Amendment 11-3 designates the Complex as the designated solid waste (flow control) disposal facility for solid waste types 10, 23 and 25 generated by any residential, public, commercial, industrial or institutional establishment located within the County and continues the County's policy of not accepting out-of-County waste for disposal at Landfill No. 2 but continuing to permit delivery of out-of-County recyclables to the recycling and co-composting facilities at the Complex.

The Complex processed 324,068.94 tons of solid waste in 2016 for which 2016 solid waste tipping fees were assessed and paid and Utility was self-liquidating. The County's 2016 solid waste tipping fee was $79.18 per ton (consisting of the base rate of $71.29 per ton, Recycling Enhancement Tax of $3.00 per ton, Host Community Benefit fees of $3.06 per ton, Sanitary Landfill Closure and Contingency Fund Tax of $1.50 per ton, and County solid waste enforcement fee of $0.33 per ton). The County's 2017 solid waste tipping fee is $80.61 per ton (consisting of the base rate of $72.72 per ton, Recycling Enhancement Tax of $3.00 per ton, Host Community Benefit fees of $3.06 per ton, Sanitary Landfill Closure and Contingency Fund Tax of $1.50 per ton, and County solid waste enforcement fee of $0.33 per ton).

OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST

On November 5, 1996 and November 3, 1998, pursuant to P.L. 1997, c. 24 (*N.J.S.A.* 40:12-15.1 *et seq*.), the voters of the County authorized the establishment of the Burlington County Open Space, Recreation, Farmland and Historic Preservation Trust Fund effective January 1, 1997. For the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland or open space, the County proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation for fifteen years. The revenue raised by the first cent is devoted to the acquisition of farmlands for farmland preservation. The revenue raised by the second cent is devoted to any of the purposes of the law. Amounts raised by taxation are apportioned by the County Board of Taxation among the constituent municipalities in accordance with *N.J.S.A.* 54:4-9 and are assessed, levied and collected in the same manner and at the same time as other County taxes. In November 1998, the County increased the levy by two cents to four cents per one hundred dollars of equalized valuation until 2018. In the general election in November 2006, the voters of the County authorized extending the sunset provisions until 2035. Future changes to the tax rate or levy must be authorized by referendum. All revenues received are accounted for in a Trust Fund dedicated by rider (*N.J.S.A.* 40A:4-39) for the purpose stated. Interest earned on the investment of these funds is credited to the Burlington County Open Space, Recreation, Farmland and Historic Preservation Trust Fund. The amount of the tax levy is set annually by resolution adopted by the Board. In 2016, the Board adopted a resolution to maintain the levy at four cents ($0.04) per one hundred dollars of equalized valuation.

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COUNTY OF BURLINGTON, NEW JERSEY
STATEMENT OF INDEBTEDNESS

As of September 15, 2017

BONDS AND NOTES ISSUED:			
Serial Bonds Issued:			
General	$164,377,988		
Vocational School	7,535,775		
Special Services School District	8,448,579		
County College	26,125,658		
		$206,488,000	
Solid Waste Utility		68,115,000	
Burlington County Bridge Commission		196,669,000	
			$471,272,000
Bond Anticipation Notes Issued:			
General Improvement		66,300,000	
Solid Waste Utility		0	
Burlington County Bridge Commission		126,800,000	
			193,100,000
Loans Payable:			
Green Acres		594,044	
Environmental Infrastructure Trust		4,280,132	
Wastewater Trust / NJDEP		0	
			4,874,176
Serial Bonds - Authorized but not Issued:			
General	$53,311,770		
County College	3,800,216		
Vocational School	0		
Special Services School	109,443		
		$57,221,429	
Solid Waste Utility		3,570,310	
			60,791,739
TOTAL GROSS DEBT:			730,037,915
Applicable Deductions from Gross Debt:			
Funds on Hand	$1,415,512		
Accounts Receivable from Other Public Authorities	9,145,000		
Investments for IPAs	18,545,474		
		$29,105,986	
Solid Waste Utility		71,685,310	
Burlington County Bridge Commission		323,469,000	
			424,260,296
TOTAL NET DEBT:			$305,777,620

SOLID WASTE UTILITY FUND
DEDUCTIONS APPLICABLE TO BONDS AND NOTES
FOR SELF-LIQUIDATING PURPOSES

As of September 15, 2017

Solid Waste Utility System	
(a) Gross Solid Waste Utility System Debt	$71,685,310
(b) Less: Deficit (Capitalized at 5%)	$0
(c) Deduction	$71,685,310
(d) Plus: Cash on Hand to Pay Bonds and Notes included in above	$0
(e) Total Deduction	$71,685,310

DEBT RATIOS AND VALUATIONS

As of September 15, 2017

Average of Equalized Valuation of Real Property With Improvements and Second Class Railroad Property for 2014, 2015 and 2016.	$46,049,674,354
Statutory Net Debt as a Percentage of the Average of Equalized Valuation of Real Property for 2014, 2015 and 2016.	0.66%
2016 Net Valuation Taxable.	$43,225,702,732
2016 Total Value of Land and Improvements.	$43,169,362,738
2016 Equalized Valuation of Real Property With Improvements and Second Class Railroad Property	$46,309,424,625
Gross Debt[1]	
As a Percentage of 2016 Net Valuation Taxable	1.69%
As a Percentage of 2016 Equalized Valuation	1.58%
Net Debt	
As a Percentage of 2016 Net Valuation Taxable	0.71%
As a Percentage of 2016 Equalized Valuation	0.66%
Gross Debt per Capita[2]	$1,626.88
Net Debt per Capita[1]	$681.42

BORROWING CAPACITY

As of September 15, 2017

Statutory Borrowing Power	
2% of Average (2014-2016) Equalized Valuation of Real Property With Improvements and Second Class Railroad Property ($46,049,674,354)	$920,993,487
Net Debt	$305,777,620
Remaining Borrowing Power Available Under *N.J.S.A.* 40A:2-6	$615,215,867

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(1) Excluding Overlapping Debt.
(2) Based on 2010 Census Population – See "GENERAL INFORMATION REGARDING THE COUNTY - Population" herein.

SCHEDULE OF COUNTY DEBT SERVICE
(BONDED DEBT AND LOANS)

As of September 15, 2017

Principal Outstanding by Purpose

Year	General [1]	College	Vocational School	Special Services School Bonds	Open Space [2]	Solid Waste Utility	Total Principal	Total Interest	Principal and Interest
2017	$4,273,000	-	$711,000	-	$117,737	$3,570,000	$8,671,737	$2,478,626	$11,150,363
2018	16,194,090	$3,101,852	1,467,941	$842,468	2,136,131	6,255,000	29,997,441	9,212,580	39,210,021
2019	16,191,390	3,280,311	1,815,154	993,454	1,885,297	6,575,000	30,740,608	7,980,850	38,721,457
2020	13,690,312	3,504,055	1,049,746	999,198	1,834,157	6,800,000	27,877,468	6,885,970	34,763,438
2021	13,812,074	1,943,617	1,044,604	1,003,016	1,790,387	7,045,000	26,638,698	5,996,291	32,634,989
2022	13,927,653	1,974,814	1,046,760	1,009,083	1,840,496	7,240,000	27,038,807	5,111,344	32,150,151
2023	8,511,551	2,026,515	88,534	651,711	1,895,606	7,370,000	20,543,917	4,187,324	24,731,240
2024	8,624,693	2,079,851	89,460	659,307	1,950,719	7,510,000	20,914,030	3,495,227	24,409,257
2025	8,739,695	2,134,508	90,463	667,644	2,017,902	5,070,000	18,720,213	2,765,343	21,485,556
2026	6,006,889	2,156,992	42,829	356,601	2,085,000	5,240,000	15,888,311	2,140,961	18,029,272
2027	6,108,611	1,434,291	43,987	366,422	2,160,000	5,440,000	15,553,311	1,653,311	17,206,622
2028	6,212,581	1,483,226	45,298	377,205	2,250,000	-	10,368,311	1,192,169	11,560,479
2029	4,136,649	188,649	-	98,012	2,345,000	-	6,768,311	924,263	7,692,573
2030	1,892,476	194,686	-	101,149	2,445,000	-	4,633,311	727,503	5,360,814
2031	1,943,303	200,723	-	104,285	2,555,000	-	4,803,311	553,525	5,356,836
2032	1,991,056	207,263	-	107,683	2,670,000	-	4,976,001	365,088	5,341,089
2033	1,943,952	214,305	-	111,342	2,790,000	-	5,059,599	169,050	5,228,649
2034	94,599	-	-	-	-	-	94,599	3,600	98,199
2035	94,599	-	-	-	-	-	94,599	2,400	96,999
2036	94,599	-	-	-	-	-	94,599	1,200	95,799
	$134,483,732	$26,125,658	$7,535,775	$8,448,579	$34,768,432	$68,115,000	$279,477,176	$55,846,625	$335,323,801

(1) Includes New Jersey Environmental Infrastructure Trust, Series 2014A and Series 2016A and does not include General Obligation Bonds, Series 2013C (Open Space)
(2) Includes New Jersey Environmental Infrastructure Trust, Series 2004A, Green Acres Loans and General Obligation Bonds, Series 2013C (Open Space)

STATEMENT OF DEBT OF CONSTITUENT MUNICIPALITIES(1)

As of December 31, 2015, Except Where Otherwise Noted

	Gross Debt			Statutory Deductions(3)					
	School	Self-Liquidating	Other	School	Self-Liquidating	Other	Net Debt	Equalized Valuation	Percent of Net Debt(4)
Bass River Township	$435,094	-	$452,828	$435,094	-		$452,828	$176,082,149	0.26%
Beverley City	1,031,000	-	1,053,105	1,031,000	-	57,645	995,460	116,184,067	0.86%
Bordentown City	8,155,707	$10,039,826	2,281,956	8,155,707	$10,039,826	6,854	2,275,102	349,212,216	0.65%
Bordentown Township	-	-	23,075,405		-	2,962,162	20,113,243	1,294,977,976	1.55%
Burlington City	1,715,000	8,268,093	10,032,455	1,715,000	8,268,093	-	10,032,455	647,292,654	1.55%
Burlington Township	23,395,000	15,043,852	14,975,061	23,395,000	15,043,852	97,807	14,877,254	2,338,326,442	0.64%
Chesterfield Township	41,558,773	-	8,424,721	22,333,861	-	625,580	27,024,053	718,203,523	3.76%
Cinnaminson Township	42,178,000	-	16,587,084	42,178,000	-	-	16,587,084	1,743,618,010	0.95%
Delanco Township	5,455,000	-	2,760,492	5,455,000	-	-	2,760,492	416,149,135	0.66%
Delran Township	26,483,000	3,104,735	16,414,680	26,483,000	3,104,735	-	16,414,680	1,527,404,009	1.07%
Eastampton Township	10,498,578	-	7,210,554	10,498,578	-	-	7,210,554	461,834,727	1.56%
Edgewater Park Township	16,408,208	-	6,340,988	16,408,208	-	270,038	6,070,950	592,162,068	1.03%
Evesham Township	37,998,894	7,916,856	44,855,083	37,998,894	7,916,856	-	44,855,083	5,115,002,097	0.88%
Fieldsboro Borough	1,144,189	77,000	317,039	1,144,189	-	-	394,039	49,010,425	0.80%
Florence Township	23,990,000	6,787,000	17,955,263	23,990,000	6,787,000	1,386,500	16,568,763	1,160,154,453	1.43%
Hainesport Township	9,351,342	-	6,170,475	9,351,342	-	1,541,425	4,629,050	783,893,999	0.59%
Lumberton Township	14,308,901	-	6,030,855	14,308,901	-	-	6,030,855	1,343,083,672	0.45%
Mansfield Township (2)	12,854,739	270,000	16,441,050	12,854,739	270,000	293,939	16,147,111	1,137,930,586	1.42%
Maple Shade Township	17,495,000	30,932,095	24,640,254	17,495,000	30,932,095	155,959	24,484,295	1,457,402,571	1.68%
Medford Township	32,343,397	28,296,972	25,936,220	32,343,397	28,296,972	-	25,936,220	3,171,527,117	0.82%
Medford Lakes Borough (2)	4,318,699	820,895	7,255,780	4,318,699	820,895	5,283,733	1,972,047	455,471,839	0.43%
Moorestown Township	64,395,000	11,916,595	38,762,457	64,395,000	11,916,595	416,964	38,345,493	4,514,242,555	0.85%
Mount Holly Township	21,892,000	-	16,904,993	21,892,000	-	-	16,904,993	586,713,124	2.88%
Mount Laurel Township	38,714,568	-	57,400,986	38,714,568	-	3,820,067	53,580,919	6,281,361,674	0.85%
New Hanover Township	-	-	81,006	-	-	-	81,006	77,581,174	0.10%
North Hanover Township	2,484,054	-	4,801,570	2,484,054	-	-	4,801,570	407,432,954	1.18%
Palmyra Borough	11,220,000	5,716,178	11,530,798	11,220,000	5,548,413	911,422	10,787,140	530,233,709	2.03%
Pemberton Borough	-	1,143,940	433,457	-	1,143,940	-	433,457	113,768,551	0.38%
Pemberton Township	-	4,790,975	27,393,374	-	4,790,975	-	27,393,374	1,461,928,896	1.87%
Riverside Township	5,100,000	-	6,214,050	5,100,000	-	10,790	6,203,260	423,372,470	1.47%
Riverton Borough	130,000	-	2,016,300	130,000	-	-	2,016,300	258,125,369	0.78%
Shamong Township	6,182,571	-	680,517	6,182,571	-	-	680,517	706,673,350	0.10%
Southampton Township	10,134,582	765,400	8,810,491	10,134,582	765,400	-	8,810,491	1,080,580,044	0.82%
Springfield Township	2,425,390	-	8,140,000	2,425,390	-		8,140,000	397,810,874	2.05%
Tabernacle Township	7,865,443	-	10,405,529	7,865,443	-	18,627	10,386,902	701,453,926	1.48%
Washington Township	-	-	-	-	-	-	-	99,129,049	0.00%
Westhampton Township	8,346,351	-	6,827,841	8,346,351	-	2,358,841	4,469,000	1,144,448,095	0.39%
Willingboro Township	24,035,000	-	51,392,446	24,035,000	-	-	51,392,446	1,772,135,774	2.90%
Woodland Township	531,892	-	425,000	531,892	-	-	425,000	141,301,218	0.30%
Wrightstown Borough (2)	-	-	1,188,250	-	-	3,933	1,184,317	36,609,650	3.23%
	534,575,373	135,890,411	512,620,411	515,350,461	135,645,647	20,222,285	511,867,803	45,789,826,192	1.12%

(1) Source: New Jersey Department of Community Affairs website, except where otherwise noted

(2) Source: 2015 Audited Financial Statement

(3) Statutory Deductions are used to determine the municipal borrowing capacity under state law and are not intended to indicate that the debt is payable from a source other than the local property tax.

(4) The debt limitation of municipalities under N.J.S. 40A:2.6 is 3 1/2% of its average equalized valuation.

TAX MATTERS

ALL POTENTIAL PURCHASERS OF THE 2017A REFUNDING BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE TAX IMPLICATIONS OF THEIR INVESTMENT.

Federal

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the County ("Bond Counsel"), assuming continuing compliance by the County with the covenants described below, under existing law, interest on the 2017A Refunding Bonds is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and is not a specific item of tax preference under Section 57 of the Code for purposes of calculating the alternative minimum tax imposed on individuals and corporations pursuant to Section 55 of the Code.

The adjustment for "adjusted current earnings" set forth in Section 56(g) of the Code is required in determining a corporation's alternative minimum taxable income. Alternative minimum taxable income is increased by seventy-five percent (75%) of the excess, if any, of (i) the "adjusted current earnings" of a corporation over (ii) the alternative minimum taxable income (determined without regard to this adjustment or the alternative tax net operating loss deduction). Interest on tax-exempt obligations, including the 2017A Refunding Bonds, is included in computing a corporation's "adjusted current earnings". Accordingly, a portion of any interest on the 2017A Refunding Bonds received or accrued by a corporation that owns the 2017A Refunding Bonds is included in computing such corporation's alternative minimum taxable income for such year.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the 2017A Refunding Bonds received or accrued by a foreign corporation subject to the branch profits tax is included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the 2017A Refunding Bonds, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year, if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering its opinion, Bond Counsel has assumed continuing compliance by the County with the covenants contained in the Authorizing Resolution and the Certificate as to Non-Arbitrage and Other Tax Matters for the 2017A Refunding Bonds, that it will comply with the applicable requirements of the Code. These covenants relate to, *inter alia*, the use and investment of proceeds of the 2017A Refunding Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the County to comply with such covenants could result in the interest on the 2017A Refunding Bonds being subject to federal income tax retroactive to the date of issue. Bond Counsel has not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date of issuance of the 2017A Refunding Bonds that may affect the tax-exempt status of the interest thereon.

Ownership of the 2017A Refunding Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, financial institutions, holders of an interest in a financial asset securitization investment trust, controlled foreign corporations, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the 2017A Refunding Bonds constitutes disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the 2017A Refunding Bonds is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by the household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the 2017A Refunding Bonds.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The 2017A Refunding Bonds are ***not*** "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the 2017A Refunding Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

New Jersey

Bond Counsel is also of the opinion that interest on the 2017A Refunding Bonds and any gain from the sale thereof is not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in New Jersey that, if enacted, could alter or amend the Federal and New Jersey tax matters referred to above or adversely affect the market value or marketability of the 2017A Refunding Bonds. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value or marketability of the 2017A Refunding Bonds.

PROSPECTIVE PURCHASERS OF THE 2017A REFUNDING BONDS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING ANY FEDERAL AND STATE INCOME TAX LEGISLATION, WHETHER CURRENTLY PENDING OR PROPOSED, REGULATORY INITIATIVES OR LITIGATION. THE OPINIONS EXPRESSED BY BOND COUNSEL ARE BASED UPON EXISTING LEGISLATION AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY AUTHORITIES AS OF THE DATE OF ISSUANCE AND DELIVERY OF THE 2017A REFUNDING BONDS AND BOND COUNSEL HAS EXPRESSED NO OPINION AS OF ANY DATE SUBSEQUENT THERETO OR WITH RESPECT TO ANY PENDING LEGISLATION, REGULATORY INITIATIVES OR LITIGATION.

See APPENDIX "C" to the Official Statement for the complete text of the proposed form of Bond Counsel's legal opinion with respect to the 2017A Refunding Bonds.

LITIGATION

Various claims of a routine nature have been asserted against the County. The Board of Chosen Freeholders and the County Solicitor believe that such claims will not have a material adverse effect on the financial condition of the County.

Upon delivery of the 2017A Refunding Bonds, the County shall furnish an opinion of the County Solicitor, dated the date of delivery of the 2017A Refunding Bonds, to the effect that there is no litigation of any nature, pending or threatened, to restrain or enjoin the issuance, sale, execution or delivery of the 2017A Refunding Bonds, or in any way contesting or affecting the validity of the 2017A Refunding Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the application of moneys to the payment of the 2017A Refunding Bonds. In addition, such opinion shall state that there is no litigation of any nature now pending or threatened by or against the County wherein an adverse judgment or ruling could have a material and adverse impact on the financial condition of the County or adversely affect the power of the County to levy, collect and enforce the collection of taxes or other revenues for the payment of its bonds, including the 2017A Refunding Bonds, and notes which has not been disclosed in this Official Statement.

RATINGS

Standard & Poor's Ratings Services, a Standard and Poor's Financial Services LLC business ("S&P"), and Moody's Investors Service, Inc. ("Moody's" and together with S&P, the "Rating Agencies") have assigned their municipal bond ratings of "AA" and "Aa2", respectively, to the 2017A Refunding Bonds.

Explanations of the significance of such bond ratings may be obtained from S&P, 55 Water Street, New York, New York 10041 and Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Such bond ratings express only the views of the respective Rating Agencies. There is no assurance that the bond ratings will continue for any period of time or that the ratings will not be revised or withdrawn entirely if, in the Rating Agencies' judgment, circumstances so warrant. Any such revision or withdrawal of the ratings may have an adverse effect on the marketability or market price of the 2017A Refunding Bonds.

FINANCIAL ADVISOR

Acacia Financial Group, Inc., Mount Laurel, New Jersey, has served as financial advisor ("Financial Advisor") to the County with respect to the issuance of the 2017A Refunding Bonds. This Official Statement has been prepared with the assistance of the Financial Advisor. The Financial Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

INDEPENDENT AUDITORS

Bowman & Company LLP, Voorhees and Woodbury, New Jersey takes responsibility for the audited financial statements contained in APPENDIX "A" to this Official Statement to the extent specified in their Independent Auditor's Report.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of (a) the arithmetic computations included in the schedules provided by the Underwriter supporting the conclusion that the principal amounts of, and interest earned on, the Government Obligations to be acquired with a portion of the proceeds of the 2017A Refunding Bonds are sufficient to pay the 2009 Refunded Bonds Redemption Price through and including the 2009 Refunded Bonds Redemption Date and (b) the mathematical computations supporting the conclusion that the 2017A Refunding Bonds will not be "arbitrage bonds" under the Code, will be independently verified by Bowman & Company LLP, Voorhees and Woodbury, New Jersey, certified public accountants.

PREPARATION OF OFFICIAL STATEMENT

This Official Statement has been prepared under the auspices of the County. Except for certain statistical and financial information contained herein and the information and statements with regard to DTC, which has been obtained from sources which the County considers to be reliable but for which the County makes no warranty, guaranty or other representation with respect to the accuracy or completeness of such information, in the opinion of the County the descriptions and statements contained herein are true and correct in all material respects.

Bond Counsel and Kendall J. Collins, Esquire, County Solicitor, have not participated in the preparation of the financial or statistical information contained in this Official Statement, including the Appendices hereto, nor have they verified the accuracy, completeness or fairness thereof and, accordingly, express no opinion with respect thereto.

UNDERWRITING

The 2017A Refunding Bonds are being purchased by the Underwriter pursuant to a bond purchase contract, dated November __, 2017 ("Bond Purchase Contract"), between the County and the Underwriter. The Bond Purchase Contract provides that the purchase price for the 2017A Refunding Bonds is $_____________ (representing the principal amount of the 2017A

Refunding Bonds, plus original issue premium in the amount of $___________, and less an Underwriter's discount in the amount of $__________. The Underwriter is obligated to purchase all of the 2017A Refunding Bonds if any 2017A Refunding Bonds are purchased. The obligation of the Underwriter to accept delivery of the 2017A Refunding Bonds is subject to various conditions contained in the Bond Purchase Contract.

The Underwriter intends to offer the 2017A Refunding Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the 2017A Refunding Bonds to the public. The Underwriter may offer and sell the 2017A Refunding Bonds to certain dealers (including dealers depositing 2017A Refunding Bonds into investment trusts) at yields higher than the respective public offering yields set forth on the inside front cover page hereof, and such offering yields may be changed, from time to time, by the Underwriter without prior notice.

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, money or other funds belonging to them or within their control in any bonds, including the 2017A Refunding Bonds, and notes of the County\ and such bonds and notes are authorized security for any and all public deposits.

NO DEFAULT

There is no record of default in the payment of the principal of or interest on the bonds or notes of the County.

CONTINUING DISCLOSURE

In accordance with the provisions of Rule 15c2-12, as amended ("Rule"), promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, the County will, simultaneously with the issuance of the 2017A Refunding Bonds, execute and deliver a Continuing Disclosure Certificate ("Continuing Disclosure Certificate") that obligates the County to directly file with MSRB's Electronic Municipal Market Access System ("EMMA") the "Annual Report" as defined therein no later than two hundred seventy (270) days after the end of each fiscal year of the County, commencing with the fiscal year ending December 31, 2017. See "APPENDIX B – FORM OF CONTINUING DISCLOSURE CERTIFICATE".

As of the date of this Official Statement, the County is in compliance in all material respects with all existing undertakings to provide continuing disclosure in accordance with the provisions of the Rule.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the 2017A Refunding Bonds are subject to the approval of Bond Counsel, whose approving legal opinion will be delivered with the 2017A Refunding Bonds substantially in the form set forth in APPENDIX "C" hereto. Certain legal matters will be passed upon for the County by Kendall J. Collins, Esquire, County Solicitor.

Bond Counsel has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement and will express no opinion relating thereto.

The various legal opinions to be delivered concurrently with the delivery of the 2017A Refunding Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, and requests for additional information relating to the County, may be directed to Edward J. Troy, Treasurer, County of Burlington, 49 Rancocas Road, Room 104, Mount Holly, New Jersey 08060-6000 ((609) 265-5299; telefax (609) 265-5438).

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth merely as opinions and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with, or a covenant for the benefit of, the owners of the 2017A Refunding Bonds. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the 2017A Refunding Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof. The information contained in this Official Statement is not guaranteed as to accuracy or completeness.

All quotations from and summaries and explanations of provisions of laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

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This Official Statement has been duly executed and delivered by the Treasurer for and on behalf of the County of Burlington.

COUNTY OF BURLINGTON, NEW JERSEY

By:______________________________________
EDWARD J. TROY, Treasurer

Dated: November __, 2017

APPENDIX A

Audited Financial Statements
of the County of Burlington, New Jersey

INDEPENDENT AUDITOR'S REPORT

The Honorable Director and
Members of the County Board of Chosen Freeholders
County of Burlington
Mount Holly, New Jersey 08060

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Burlington, State of New Jersey, as of December 31, 2016, 2015, 2014, 2013 and 2012, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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 in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County'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.

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Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

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

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the County of Burlington, State of New Jersey, as of December 31, 2016, 2015, 2014, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Burlington, State of New Jersey, as of December 31, 2016, 2015, 2014, 2013 and 2012, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, 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.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Henry J. Ludwigsen

Henry J. Ludwigsen
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
June 30, 2017

COUNTY OF BURLINGTON
CURRENT FUND
Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis

	As of December 31,				
Assets	**2016**	**2015**	**2014**	**2013**	**2012**
Regular Fund:					
Cash	$ 32,912,182	$ 32,312,908	$ 37,931,991	$ 43,735,961	$ 29,424,517
Receivables with Full Reserves:					
Revenue Accounts Receivable	44,787	38,059	39,094	4,999	32,074
Accounts Receivable--Other	190,436	410,463	386,902	1,064,707	894,607
Interfunds Receivable			3,236	516,146	
Total Regular Fund	33,147,405	32,761,430	38,361,223	45,321,813	30,351,198
Federal and State Grant Fund:					
Cash	1,128,619	497,350	1,339,969	5,690,771	5,509,126
Accounts Receivable:					
Federal and State Funds	13,375,633	14,986,362	16,120,772	18,671,968	15,990,973
Interfunds Receivable	7,717	536,787	203,117	147,350	402,310
Total Federal and State Grant Fund	14,511,969	16,020,498	17,663,858	24,510,089	21,902,409
	$ 47,659,374	$ 48,781,928	$ 56,025,081	$ 69,831,902	$ 52,253,607

(Continued)

COUNTY OF BURLINGTON
CURRENT FUND
Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis

	As of December 31,				
Liabilities, Reserves and Fund Balance	**2016**	**2015**	**2014**	**2013**	**2012**
Regular Fund:					
Liabilities					
Appropriation Reserves	$ 10,861,403	$ 10,352,998	$ 8,056,405	$ 10,021,501	$ 6,533,537
Reserve for Encumbrances	1,900,805	1,788,381	4,351,324	2,121,578	3,231,646
Other Payables	431,211	462,079	463,776	41,664	923,065
Interfund Loans Payable	2,250,663	1,548,512	11,089,747	17,581,437	8,612,306
Due to Tenants	65,000				
Reserves for:					
Other Reserves	54,698	52,078	52,078	52,960	69,056
Total Liabilities	15,563,781	14,204,048	24,013,331	29,819,140	19,369,610
Reserve for Receivables	235,223	448,522	429,231	1,585,852	926,681
Fund Balance	17,348,401	18,108,860	13,918,661	13,916,821	10,054,907
Total Regular Fund	33,147,405	32,761,430	38,361,223	45,321,813	30,351,198
Federal and State Grant Fund:					
Federal and State Funds:					
Unappropriated	32,650	48,714	421,879	112,801	145,061
Appropriated	10,514,000	14,020,802	11,744,066	19,567,682	16,979,566
Interfund Loans Payable			3,236	925,131	506,145
Reserve for Encumbrances	3,965,319	1,950,983	5,494,677	3,904,475	4,271,637
Total Federal and State Grant Fund	14,511,969	16,020,498	17,663,858	24,510,089	21,902,409
	$ 47,659,374	$ 48,781,928	$ 56,025,081	$ 69,831,902	$ 52,253,607

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

COUNTY OF BURLINGTON
CURRENT FUND
Statements of Operations and Changes in Fund Balance -- Regulatory Basis

	For the Years Ended December 31,				
	2016	**2015**	**2014**	**2013**	**2012**
Revenue Realized:					
Current Tax Collections	$ 155,500,000	$ 155,523,014	$ 152,523,014	$ 153,082,778	$ 148,049,819
Miscellaneous Revenue Anticipated	49,387,470	45,601,109	42,368,635	52,817,220	67,285,642
Non Budget Revenue	760,404	1,348,256	1,410,843	1,170,462	732,956
Other Credits to Income	2,840,065	3,957,714	2,417,313	1,200,464	1,905,265
Fund Balance Utilized	6,040,000	2,390,000	2,392,782		
Total Income	214,527,938	208,820,093	201,112,586	208,270,924	217,973,681
Expenditures and Encumbrances:					
Operations	161,898,580	155,126,793	152,412,469	158,221,893	167,521,963
Capital Improvements					312,000
Debt Service	32,185,625	31,911,469	30,598,988	28,539,937	28,870,700
Deferred Charges and Statutory Expenditures	15,156,475	15,177,539	15,489,706	16,066,327	17,215,390
Other Expenditures	7,717	530			
Creation of Reserves		23,562	216,802	1,580,853	1,270,884
Total Expenditures and Encumbrances	209,248,397	202,239,894	198,717,964	204,409,010	215,190,936
Excess in Revenue	5,279,541	6,580,199	2,394,622	3,861,914	2,782,745
Fund Balance, January 1	18,108,860	13,918,661	13,916,821	10,054,907	7,272,162
	23,388,401	20,498,860	16,311,443	13,916,821	10,054,907
Decreased by:					
Utilized as Revenue	6,040,000	2,390,000	2,392,782		
Fund Balance, December 31	$ 17,348,401	$ 18,108,860	$ 13,918,661	$ 13,916,821	$ 10,054,907

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

COUNTY OF BURLINGTON
TRUST FUND
Statements of Assets, Liabilities, and Reserves -- Regulatory Basis

	As of December 31,				
	2016	**2015**	**2014**	**2013**	**2012**
Assets					
Trust Fund:					
Cash	$ 44,530,574	$ 42,873,850	$ 31,631,359	$ 19,716,349	$ 61,126,664
Interfunds Receivable	7,549,558	10,410,591	20,191,995	48,219,871	14,404,319
Other Accounts Receivable	25,475,463	25,232,700	25,010,019	24,627,605	24,546,439
	$ 77,555,596	$ 78,517,141	$ 76,833,373	$ 92,563,825	$ 100,077,422
Liabilities and Reserves					
Trust Fund:					
Other Accounts Payable				$ 258,708	$ 258,708
Interfund Loans Payable					131,179
Reserve for Special Funds and Receivables	$ 77,555,596	$ 78,517,141	$ 76,833,373	92,305,117	99,687,536
	$ 77,555,596	$ 78,517,141	$ 76,833,373	$ 92,563,825	$ 100,077,422

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

COUNTY OF BURLINGTON
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis

	As of December 31,				
	2016	**2015**	**2014**	**2013**	**2012**
Assets					
Cash and Investments	$ 39,533,684	$ 18,893,609	$ 18,581,542	$ 18,507,999	$ 18,814,678
Due from Bank			85	85	85
Due from State of New Jersey					3,016,189
Due from Trustee for Leases	84,180,538	109,256,436	131,191,289	106,000,000	
Interfunds Receivable				1,210,818	1,609,998
Grants Receivable	29,381,082	37,717,590	20,511,377	893,119	3,200,000
Deferred Charges to Future Taxation:					
Funded	203,504,645	217,664,263	208,889,907	218,430,824	158,705,187
Unfunded	142,501,078	94,296,138	125,924,985	126,807,706	208,186,359
Amounts to be Provided for Retirement of Obligations Under Capital Leases	190,197,900	196,307,900	179,851,900	143,330,000	40,616,000
	$ 689,298,926	$ 674,135,936	$ 684,951,086	$ 615,180,551	$ 434,148,496
Liabilities, Reserves and Fund Balance					
Serial Bonds	$ 198,023,001	$ 213,199,005	$ 203,774,006	$ 215,570,006	$ 155,342,006
Obligation Under Capital Leases	190,197,900	196,307,900	179,851,900	143,330,000	40,616,000
Bond Anticipation Notes	64,074,000	29,225,584	56,140,348	30,815,426	107,933,166
Loans Payable	4,771,030	3,524,954	3,950,432	1,474,621	1,760,605
State of New Jersey--Green Acres Loans	710,614	940,304	1,165,469	1,386,197	1,602,575
Improvement Authorizations:					
Funded	6,512,492	8,108,998	22,005,137	2,547,143	1,987,419
Unfunded	50,622,798	15,639,241	17,104,571	18,835,404	28,481,286
Lease Authorization	77,702,001	107,254,566	92,920,308	82,788,864	
Capital Improvement Fund	172,848	500,348	500,348	500,348	500,348
Contracts Payable	23,107,955	20,032,520	23,967,677	12,688,953	20,137,209
Due to State of New Jersey	209,293	209,293	209,378	209,378	209,378
Interfunds Payable	5,318,337	9,410,591	10,162,998	32,264,075	7,898,777
Reserve for Payment of Capital Leases	2,960,878	2,804,494	6,093,708	5,393,499	
Reserve for Payment of Bonds and Notes	1,818,267	2,922,953	2,976,789	2,479,009	1,498,525
Installment Purchase Agreement Notes	44,201,000	45,137,000	45,383,000	46,384,997	47,097,141
Reserve to Pay I.P.A. Note Principal	18,545,474	18,545,474	18,389,194	18,389,194	18,389,194
Fund Balance	351,039	372,711	355,823	123,437	694,865
	$ 689,298,926	$ 674,135,936	$ 684,951,086	$ 615,180,551	$ 434,148,496

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

COUNTY OF BURLINGTON
SOLID WASTE UTILITY FUND
Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis

	As of December 31,				
Assets	**2016**	**2015**	**2014**	**2013**	**2012**
Operating Fund:					
Cash and Investments	$ 27,218,442	$ 23,442,088	$ 20,932,209	$ 23,245,115	$ 22,217,644
Interfunds Receivable	3,974,088	3,974,088	7,086,200	5,743,590	3,771,521
	31,192,531	27,416,176	28,018,409	28,988,705	25,989,165
Receivables with Full Reserves:					
Consumer Accounts Receivable	2,587,927	2,465,036	2,477,667	2,433,078	3,035,999
Total Operating Fund	33,780,457	29,881,212	30,496,077	31,421,783	29,025,164
Capital Fund:					
Cash and Investments	12,473,652	5,628,803	4,511,328	520,328	640,329
Fixed Capital	206,127,272	199,227,272	30,769,210	30,769,210	30,769,210
Fixed Capital Authorized and Uncompleted	55,565,000	62,465,000	224,043,000	221,543,000	217,243,000
Amount to be Provided for Retirement of Obligations Under Capital Leases	29,789,000	32,395,000	34,390,000	36,385,000	39,671,000
Interfunds Receivable					520,000
Due from TD Bank, N.A. Trustee for BCBC	642,236	850,103	850,103	2,372,282	3,754,577
Total Capital Fund	304,597,160	300,566,178	294,563,641	291,589,820	292,598,116
	$ 338,377,617	$ 330,447,390	$ 325,059,718	$ 323,011,603	$ 321,623,280

(Continued)

COUNTY OF BURLINGTON
SOLID WASTE UTILITY FUND
Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis

	As of December 31,				
Liabilities, Reserves and Fund Balance	**2016**	**2015**	**2014**	**2013**	**2012**
Operating Fund:					
Appropriation Reserves	$ 1,264,412	$ 1,004,615	$ 857,176	$ 1,005,985	$ 1,011,763
Reserve for Encumbrances	3,700,614	3,343,835	3,372,062	3,140,282	2,050,220
Accrued Interest on Bonds	658,071	516,099	468,335	424,550	433,853
Prepaid Deposits	120,805	170,028	155,426	146,925	143,764
Interfunds Payable				241,383	241,383
Reserves for:					
State of New Jersey Sanitary Landfill Taxes Payable	13,415	13,606	13,395	12,728	12,296
County Health Inspection Taxes Payable	8,854	8,980	8,840	8,401	17,437
Host Benefit Fees & Recycling Tax Payable	598,333	576,599	590,070	819,658	718,044
Hazardous Waste Facility	64,972	64,972	64,972	64,972	64,972
Equipment Replacement	706,548	721,827	736,395	813,414	822,892
Landfill Closure Trust Fund	16,894,821	16,353,604	15,832,017	15,446,359	15,020,425
Recycling Tax Payable	206,475	216,630	213,234		
Estimated Arbitrage Earnings on Tax- Exempt Obligations	100,000	100,000	100,000	100,000	100,000
State Grants			19,819	77,257	362,031
Self Insurance	500,000	500,000	500,000	500,000	500,000
	24,837,320	23,590,793	22,931,741	22,801,914	21,499,080
Reserve for Receivables	2,587,927	2,465,036	2,477,667	2,433,078	3,035,999
Fund Balance	6,355,210	3,825,383	5,086,668	6,186,791	4,490,085
Total Operating Fund	33,780,457	29,881,212	30,496,077	31,421,783	29,025,164
Capital Fund:					
Serial Bonds	39,090,000	42,535,000	45,881,000	49,163,000	54,415,000
Bond Anticipation Notes	29,026,000	24,443,400	18,693,400		
Loans Payable		2,021,092	3,970,355	5,855,350	8,081,712
Obligations Under Solid Waste Leases	29,789,000	32,395,000	34,390,000	36,385,000	39,671,000
Interfund Loans Payable	3,974,088	3,974,088	6,561,088	5,158,852	3,330,082
Improvement Authorizations	2,141,974	8,995,048	3,400,821	18,621,378	17,175,683
Statement of Lease Authorizations	776,948	1,050,191	976,211	1,573,240	3,121,158
Contracts Payable	859,396	2,198,046	3,063,841	2,428,745	1,769,384
Capital Improvement Fund	47,000	47,000	47,000	47,000	47,000
Reserves for:					
Amortization	173,903,321	169,398,321	30,769,210	30,769,210	30,769,210
Deferred Amortization	13,479,218	12,268,126	145,601,974	140,434,979	132,956,617
Reserve to pay Bonds, Notes and Leases	11,138,682	875,203	1,093,403	1,153,066	1,261,270
Fund Balance	371,534	365,663	115,338		
Total Capital Fund	304,597,160	300,566,178	294,563,641	291,589,820	292,598,116
	$ 338,377,617	$ 330,447,390	$ 325,059,718	$ 323,011,603	$ 321,623,280

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

COUNTY OF BURLINGTON
SOLID WASTE UTILITY FUND
Statements of Operations and Changes in Fund Balance - Regulatory Basis

	For the Years Ended December 31,				
	2016	**2015**	**2014**	**2013**	**2012**
Revenue Realized:					
Fund Balance Realized	$ 3,549,660	$ 5,086,000	$ 4,114,139	$ 4,490,000	$ 5,521,156
Solid Waste Utility Fees	23,517,982	22,378,118	22,200,623	22,292,932	18,151,107
Sludge Disposal & Household Hazardous Waste Fees	2,534,609	2,623,389	2,465,186	2,669,992	2,460,783
Miscellaneous Revenue Anticipated	4,427,413	2,530,026	2,290,618	2,081,166	2,257,286
Solid Waste Capital Fund Balance					15
Other Credits to Income:					
Unexpended Balance of Appropriation Reserves	1,367,095	1,190,883	1,301,123	1,486,303	1,399,714
Total Income	35,396,759	33,808,415	32,371,689	33,020,393	29,790,061
Expenditures and Encumbrances:					
Operating	17,402,061	18,479,494	17,927,239	17,840,890	15,900,243
Debt Service	11,339,892	11,173,522	11,106,234	8,687,797	9,104,993
Deferred Charges and Statutory Expenditures	575,319	330,684	324,200	305,000	295,000
Total Expenditures	29,317,272	29,983,700	29,357,673	26,833,687	25,300,236
Excess in Revenue	6,079,487	3,824,715	3,014,016	6,186,706	4,489,825
Fund Balance, Jan. 1	3,825,383	5,086,668	6,186,791	4,490,085	5,521,416
	9,904,870	8,911,383	9,200,807	10,676,791	10,011,241
Utilized as Revenue	3,549,660	5,086,000	4,114,139	4,490,000	5,521,156
Fund Balance, Dec. 31	$ 6,355,210	$ 3,825,383	$ 5,086,668	$ 6,186,791	$ 4,490,085

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The County of Burlington (hereafter referred to as the "County") was incorporated in 1694. It is located in South Central New Jersey and is, in area, the largest county of the state, covering 827 square miles. Mt. Holly, the County seat, is approximately 25 miles from downtown Philadelphia and is approximately 90 miles from New York City.

The County's geographic makeup consists of fifty-four percent forest space, twenty-five percent farmland space, seventeen percent communities and four percent federally owned land. The New Jersey Turnpike travels through the center of the County and there are many major transportation arteries. There are twenty-six active industrial / office parks located throughout the County and their tenants are representatives of the major industries located in the United States.

The County has forty political subdivisions, consisting of three cities, thirty-one townships and six boroughs. The population of the County of according to the 2016 census estimate is 449,284.

The County government operates under a five member Board of Chosen Freeholders, elected at-large by the voters of the County. A Freeholder, under old English rule, was a person who owned property outright, free of debt, and therefore was deemed to be a leading citizen, eligible for membership on the governing body. Under present form of government, the property rule as a qualification for holding office has been abolished. Each member is elected to a term of three years. A director and deputy director are selected from their membership at the first meeting of each year. The Freeholders have both administrative and policy-making powers.

Component Units - The financial statements of the component units of the County are not presented in accordance with Governmental Accounting Standards Board GASB Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. If the provisions of GASBS No. 14, as amended by GASBS No. 39 and GASBS No. 61, had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the County, the primary government:

Burlington County Library Commission
5 Pioneer Boulevard
Westampton, New Jersey 08060

Burlington County Bridge Commission
1300 State Highway Route 73 North
Palmyra, New Jersey 08065

Burlington County Board of Social Services
795 Woodlane Road
Westampton, New Jersey 08060

Burlington County Insurance Commission
49 Rancocas Road
Mount Holly, New Jersey 08060

Rowan College at Burlington County
Pemberton-Browns Mill Road
Pemberton, New Jersey 08068

Burlington County Institute of Technology
695 Woodlane Road
Westampton, New Jersey 08060

Burlington County Special Services School District
5 Pioneer Boulevard
Westampton, New Jersey 08060

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

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

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

Current Fund - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Solid Waste Utility Operating and Capital Funds - The solid waste utility operating and capital funds account for the operations and acquisition of capital facilities of the County owned Resource Recovery Complex operations.

Bond and Interest Account - The bond and interest account is used to account for the accumulation of resources (mainly provided from current fund budget appropriations) for payment of principal and interest on matured debt.

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

Budgets and Budgetary Accounting - The County must adopt an annual budget for its current, open space/farmland/parks trust and solid waste utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual county budget no later than January 26 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the county. The public hearing must not be held less than eighteen days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

Note 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)</u>

<u>Cash, Cash Equivalents and Investments</u> - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

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

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

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

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

<u>General Fixed Assets</u> - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The County has adopted a capitalization threshold of $5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The County is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the County's basic financial statements.

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

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

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

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

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

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants are realized when anticipated as such in the County's budget. Other amounts that are due to the County which are susceptible to accrual are recorded as receivables with offsetting reserves and recorded as revenue when received.

County Taxes – Every municipality within the County is responsible for levying, collecting and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations for every municipality are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations for every municipality are charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Library Taxes - The County is responsible for levying, collecting, and remitting library taxes for the Burlington County Library Commission.

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

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

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

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

Long-Term Debt - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds.

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2016, the County had bank balances of $145,406,512.49 that were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	$ 144,413,519.51
Uninsured and Uncollateralized	992,992.98
Total	$ 145,406,512.49

Note 3: INVESTMENTS

New Jersey municipal units are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipal units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America; government money market mutual funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress; bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units; local government investment pools; deposits with the State of New Jersey Cash Management Fund; and agreements for the purchase of fully collateralized securities with certain provisions. The County has no investment policy that would further limit its investment choices.

Note 3: INVESTMENTS (CONT'D)

Custodial Credit Risk Related to Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County has no investment policy to limit its exposure to custodial credit risk. As of December 31, 2016, the County's investments were exposed to custodial credit risk as follows:

Uninsured and unregistered, with securities held by the the counterparty's trust department or agent in the County's name	$ -
Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the County's name	35,511,599.31
Total	$ 35,511,599.31

As of December 31, 2016, the County had the following investments:

Investment	Maturities		Cost	Fair Value
Money Market Funds	daily	daily	$ 53,712.93	$ 53,712.93
US Treasury Strips	60.78	months average	18,643,608.69	35,044,645.60
US Treasury Notes	47.56	months average	15,856,517.98	15,679,982.75
US Treasury Inflation Indexed Bonds	107.96	months average	497,622.11	485,272.18
FDG Corp Fed Book	33.93	months average	460,137.60	498,617.60
Total			$ 35,511,599.31	$ 51,762,231.06

The weighted average maturity of the County's investment portfolio was 55.10 months as of December 31, 2016.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County 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 - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in note 1, investments are purchased in accordance with N.J.S.A. 40A:5-15.1. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County has no investment policy that would further limit its exposure to credit risk. As of December 31, 2016, the County's investments had the following ratings:

Investment	Standard & Poor's	Moody's
US Treasury Strips	AAA	Aaa
US Treasury Notes	AAA	Aaa
US Treasury Inflation Indexed Bonds	AAA	Aaa
FDG Corp Fed Book	AAA	Aaa

Note 3: INVESTMENTS (CONT'D)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County's investment policies place no limit on the amount the County may invest in any one issuer. More than 5.0% of the County's investments are in US Treasury Strips and US Treasury Notes. These investments represent 97.15% of the County's total investments. These investments are reported in the general capital ($18,643,608.69) and utility operating ($16,867,990.62) funds.

Fair Value Measurements of Investments - The County categorizes its fair value disclosures within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted process in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2016:

- All the County Investments of $35,511,599.31 are valued using quoted market prices (Level 1 inputs).

Note 4: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	Year Ended				
	2016	2015	2014	2013	2012
County Tax Rate	$ 0.336	$ 0.340	$ 0.330	$ 0.330	$ 0.310
County Library Tax Rate	$ 0.031	$ 0.031	$ 0.030	$ 0.030	$ 0.030
County Open Space, Recreation, Farmland and Historic Preservation Tax Rate	$ 0.040	$ 0.040	$ 0.015	$ 0.015	$ 0.040

Assessed Valuation

Year	Amount
2016	$ 46,537,864,890
2015	45,775,613,439
2014	45,777,005,659
2013	46,329,111,779
2012	48,206,959,031

Note 4: PROPERTY TAXES (CONT'D)

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (Cont'd):

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2016	$ 155,500,000	$ 155,500,000	100.00%
2015	155,523,014	155,523,014	100.00%
2014	152,523,014	152,523,014	100.00%
2013	153,082,778	153,082,778	100.00%
2012	148,049,819	148,049,819	100.00%

Note 5: SOLID WASTE UTILITY SERVICE CHARGES

The following is a five-year comparison of solid waste utility service charges for the current and previous four calendar years.

Year	Balance Beginning of Year Receivable	Levy	Total	Cash Collections
2016	$ 2,465,036	$ 26,175,482	$ 28,640,517	$ 26,052,591
2015	2,477,667	24,988,875	27,466,542	25,001,507
2014	2,433,078	24,710,399	27,143,477	24,665,809
2013	3,035,999	24,360,003	27,396,002	24,962,924
2012	2,167,767	21,598,258	23,766,025	20,730,026

Note 6: FUND BALANCES APPROPRIATED

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

Current Fund

Year	Balance December 31,	Utilized in Budget of Succeeding Year		Percentage of Fund Balance Used
2016	$ 17,348,401	$ 6,040,000	(A)	34.82%
2015	18,108,860	6,040,000		33.35%
2014	13,918,660	2,390,000		17.17%
2013	13,916,821	2,392,782		17.19%
2012	10,054,907	None		None

(A) = per 2017 Introduced Budget

Note 6: FUND BALANCES APPROPRIATED (CONT'D)

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

Solid Waste Utility Fund

Year	Balance December 31,	Utilized in Budget of Succeeding Year		Percentage of Fund Balance Used
2016	$ 6,355,210	$ 5,688,692	(A)	89.51%
2015	3,825,383	3,549,660		92.79%
2014	5,086,668	5,086,000		99.99%
2013	6,186,791	4,114,139		66.50%
2012	4,490,085	4,490,000		100.00%

(A) = per 2017 Introduced Budget

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2016:

Fund	Interfunds Receivable	Interfunds Payable
Current		$ 2,250,663
Federal and State Grant	$ 7,717	
Trust - Other	7,549,558	
General Capital		5,318,337
Solid Waste Utility - Operating	3,974,088	
Solid Waste Utility - Capital		3,974,088
Bond and Interest	11,725	
	$ 11,543,089	$ 11,543,089

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2017, the County expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

A substantial number of the County's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several County employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
http://www.nj.gov/treasury/pensions

General Information about the Pension Plans

Plan Descriptions

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the County, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

Police and Firemen's Retirement System - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the County. The PFRS's Board of Trustees is primarily responsible for the administration of the PFRS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least $5,000.00 annually.

Note 8: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of $1/55^{th}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of $1/60^{th}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Note 8: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions (Cont'd)

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The County's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The County's contractually required contribution rate for the year ended December 31, 2016 was 13.31% of the County's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2016, the County's contractually required contribution to the pension plan for the year ended December 31, 2016 is $5,662,332.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2015, the County's contractually required contribution to the pension plan for the year ended December 31, 2015 was $5,327,289.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were $3,138,958.95.

Police and Firemen's Retirement System - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 8.5% to 10.0% in October 2011. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

Note 8: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Contributions (Cont'd)

Police and Firemen's Retirement System (Cont'd) - *Special Funding Situation Component* - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The County's contractually required contribution rate for the year ended December 31, 2016 was 28.54% of the County's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2016, the County's contractually required contribution to the pension plan for the year ended December 31, 2016 is $4,474,629.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2015, the County's contractually required contribution to the pension plan for the year ended December 31, 2015 was $4,621,418.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were $1,584,886.16.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the County, for the year ended December 31, 2016 was 2.15% of the County's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2016 is $337,328.00, and is payable by April 1, 2017. Based on the PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2015 was $432,309.00, which was paid on April 1, 2016.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the County contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2016, employee contributions totaled $70,966.76, and the County's contributions were $38,686.53. There were no forfeitures during the year.

Note 8: <u>PENSION PLANS (CONT'D)</u>

<u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

Public Employees' Retirement System - At December 31, 2016, the County's proportionate share of the PERS net pension liability was $188,771,634.00. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the County's proportion was .6373731119%, which was an increase of .0177277140% from its proportion measured as of June 30, 2015.

At December 31, 2016, the County's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2016 measurement date is $14,872,266.00. This expense is not recognized by the County because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the County's contribution to PERS was $5,327,289.00, and was paid on April 1, 2016.

Police and Firemen's Retirement System - At December 31, 2016, the County's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

County's Proportionate Share of Net Pension Liability	$104,835,771.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	8,803,605.00
	$113,639,376.00

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2016 measurement date, the County's proportion was .5488048845%, which was a decrease of .0197395212% from its proportion measured as of June 30, 2015. Likewise, at June 30, 2016, the State of New Jersey's proportion, on-behalf of the County, was .5488048845%, which was a decrease of .0197395212% from its proportion, on-behalf of the County, measured as of June 30, 2015.

At December 31, 2016, the County's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2016 measurement date is $10,466,194.00. This expense is not recognized by the County because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the County's contribution to PFRS was $4,621,418.00, and was paid on April 1, 2016.

At December 31, 2016, the State's proportionate share of the PFRS pension expense, associated with the County, calculated by the plan as of the June 30, 2016 measurement date is $1,124,428.00. This on-behalf expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

Note 8: PENSION PLANS (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2016, the County had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	$ 3,510,580.00	$ -	$ 3,510,580.00	$ -	$ 687,214.00	$ 687,214.00
Changes of Assumptions	39,103,399.00	14,520,616.00	53,624,015.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	7,198,034.00	7,345,631.00	14,543,665.00	-	-	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	2,889,023.00	236,279.00	3,125,302.00	13,102,397.00	3,316,453.00	16,418,850.00
County Contributions Subsequent to the Measurement Date	2,831,166.00	2,237,315.00	5,068,481.00	-	-	-
	$ 55,532,202.00	$ 24,339,841.00	$ 79,872,043.00	$ 13,102,397.00	$ 4,003,667.00	$ 17,106,064.00

$2,831,166.00 and $2,237,315.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2017. These amounts were based on an estimated April 1, 2018 contractually required contribution, prorated from the pension plans measurement date of June 30, 2016 to the County's year end of December 31, 2016.

Note 8: PENSION PLANS (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The County will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	-	5.00	-	5.00
June 30, 2016	5.00	-	5.00	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58

Note 8: PENSION PLANS (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Year Ending Dec 31,	PERS	PFRS	Total
2017	$ 8,064,562.00	$ 4,318,855.00	$ 12,383,417.00
2018	8,064,562.00	4,318,855.00	12,383,417.00
2019	9,842,472.00	6,080,041.00	15,922,513.00
2020	9,792,482.00	3,499,429.00	13,291,911.00
2021	3,834,561.00	(118,321.00)	3,716,240.00
	$ 39,598,639.00	$ 18,098,859.00	$ 57,697,498.00

Actuarial Assumptions

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation	3.08%	3.08%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.65%	7.65%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

Note 8: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, pre-retirement mortality rates were based on the RP-2000 Pre-Retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Postretirement mortality rates for female service retirements and beneficiaries were based the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2016 are summarized in the following table:

Note 8: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds / Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2016 was 3.98% for PERS and 5.55% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034 for PERS and through 2050 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 for PERS and through 2050 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Note 8: PENSION PLANS (CONT'D)

Sensitivity of County's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the County's proportionate share of the net pension liability at June 30, 2016, the plans measurement date, calculated using a discount rate of 3.98%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
County's Proportionate Share of the Net Pension Liability	$231,317,607.00	$188,771,634.00	$153,646,247.00

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the County's annual required contribution. As such, the net pension liability as of June 30, 2016, the plans measurement date, for the County and the State of New Jersey, calculated using a discount rate of 5.55%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	PFRS		
	1% Decrease (4.55%)	Current Discount Rate (5.55%)	1% Increase (6.55%)
County's Proportionate Share of the Net Pension Liability	$135,178,040.00	$104,835,771.00	$ 80,093,476.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	11,351,603.12	8,803,605.00	6,725,865.79
	$146,529,643.12	$113,639,376.00	$ 86,819,341.79

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the plan's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions.

Note 8: PENSION PLANS (CONT'D)

Supplementary Pension Information

In accordance with GASB 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Schedule of the County's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Four Years)

	Measurement Date Ended June 30,			
	2016	**2015**	**2014**	**2013**
County's Proportion of the Net Pension Liability	0.6373731119%	0.6196453979%	0.6293211694%	0.7457988912%
County's Proportionate Share of the Net Pension Liability	$ 188,771,634.00	$ 139,097,975.00	$ 117,826,135.00	$ 142,536,987.00
County's Covered Payroll (Plan Measurement Period)	$ 43,318,252.00	$ 42,428,812.00	$ 43,421,180.00	$ 52,119,380.00
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	435.78%	327.84%	271.36%	273.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

Schedule of the County's Contributions - Public Employees' Retirement System (PERS) (Last Four Years)

	Year Ended December 31,			
	2016	**2015**	**2014**	**2013**
County's Contractually Required Contribution	$ 5,662,332.00	$ 5,327,289.00	$ 5,188,033.00	$ 5,619,442.00
County's Contribution in Relation to the Contractually Required Contribution	(5,662,332.00)	(5,327,289.00)	(5,188,033.00)	(5,619,442.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 42,534,274.00	$ 43,281,555.00	$ 42,311,700.00	$ 43,120,866.00
County's Contributions as a Percentage of its Covered Payroll	13.31%	12.31%	12.26%	13.03%

Note 8: PENSION PLANS (CONT'D)

Supplementary Pension Information (Cont'd)

Schedule of the County's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Four Years)

	Measurement Date Ended June 30,			
	2016	2015	2014	2013
County's Proportion of the Net Pension Liability	0.5488048845%	0.5685444057%	0.5686346694%	0.5803733767%
County's Proportionate Share of the Net Pension Liability	$ 104,835,771.00	$ 94,699,679.00	$ 71,528,967.00	$ 77,155,403.00
State's Proportionate Share of the Net Pension Liability associated with the County	8,803,605.00	8,304,844.00	7,702,467.00	7,191,821.00
Total	$ 113,639,376.00	$ 103,004,523.00	$ 79,231,434.00	$ 84,347,224.00
County's Covered Payroll (Plan Measurement Period)	$ 17,537,468.00	$ 17,912,496.00	$ 17,983,768.00	$ 18,121,556.00
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	597.78%	528.68%	397.74%	425.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

Schedule of the County's Contributions - Police and Firemen's Retirement System (PFRS) (Last Four Years)

	Year Ended December 31,			
	2016	2015	2014	2013
County's Contractually Required Contribution	$ 4,474,629.00	$ 4,621,418.00	$ 4,367,507.00	$ 4,234,275.00
County's Contribution in Relation to the Contractually Required Contribution	(4,474,629.00)	(4,621,418.00)	(4,367,507.00)	(4,234,275.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 15,676,484.00	$ 17,235,855.00	$ 18,097,159.00	$ 18,048,239.00
County's Contributions as a Percentage of its Covered Payroll	28.54%	26.81%	24.13%	23.46%

Note 8: <u>PENSION PLANS (CONT'D)</u>

<u>Other Notes to Supplementary Pension Information</u>

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at $118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at $265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65%, and the mortality improvement scale incorporated the plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 5.79% and demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study. For 2014, the discount rate was 6.32%.

Note 9: <u>POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS</u>

<u>Plan Description</u> - The County provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, and prescription plan. The County's plan provides an agent multiple-employer post-employment healthcare plan which covers the following retiree population: 1) an employee who participates in the PERS pension plan and was hired before 7/1/2007 is eligible for full benefits upon retirement provided they have completed 25 years of service and are at least age 55, 2) an employee hired on or after 7/1/2007 is eligible for full benefits upon retirement provided they have completed 25 years of service and are at least age 60, 3) an employee hired on or after 11/2/2008 is eligible for full benefits upon retirement provided they have completed 25 years of service and are at least age 62, 4) an employee hired on or after 7/28/2011 is eligible for full benefits upon retirement provided they have completed 30 years of service and are at least age 65, 5) an employee who participates in the PFRS pension plan is eligible for benefits upon retirement provided they have completed 25 years of service. Years of service are calculated based upon elapsed time. The plan is administered by the County; therefore, premium payments are made directly to the insurance carriers.

<u>Funding Policy</u> - The contribution requirements of plan members and the County are established and may be amended by the County's governing body.

<u>Retirees</u> - The County presently funds its current retiree postemployment benefit costs on a "pay-as-you-go" basis and receives monthly contributions from retirees to offset a portion of the cost. The County's contributions to the plan for the years ended December 31, 2016, 2015, and 2014 were $1,926,857.76, $1,926,857.76, and $1,852,844.00, respectively.

Note 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Funding Policy (Cont'd) -

Future Retirees - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the County is required to disclose the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be $13,111,499.00 at an unfunded discount rate of 4.5%. As stated previously, the County has funded the cost of existing retirees in the amount of $1,926,857.76, and has incurred the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

Annual OPEB Cost - For year ended December 31, 2016, the County's annual OPEB cost (expense) of $11,723,605.98 for the plan was equal to the ARC plus certain adjustments because the County's actual contributions in prior years differed from the ARC. The County's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2016, 2015, and 2014 are as follows:

	2016	2015	2014
Annual Required Contribution (ARC)	$ 13,111,499.00	$ 13,111,499.00	$ 7,732,198.00
Interest on the Net OPEB Obligation	3,810,207.56	3,362,011.77	3,483,238.71
Adjustment to the ARC	(5,198,100.58)	(4,586,646.55)	(4,315,994.18)
Annual OPEB Cost	11,723,605.98	11,886,864.22	6,899,442.53
Pay-as-You Go Cost (Existing Retirees)	(1,926,857.76)	(1,926,857.76)	(1,852,844.00)
Increase (Decrease) in the Net OPEB Obligation	9,796,748.22	9,960,006.46	5,046,598.53
Net OPEB Obligation, January 1	84,671,379.10	74,711,372.64	69,664,774.11
Net OPEB Obligation, December 31	$ 94,468,127.32	$ 84,671,379.10	$ 74,711,372.64
Percentage of Annual OPEB Cost Contributed	16.4%	16.2%	26.9%

Funded Status and Funding Progress - The funded status of the plan as of the three past actuarial valuation dates is as follows:

	2015	2013	2011
Actuarial Accrued Liability (AAL)	$ 136,109,526.00	$ 71,960,419.00	$ 95,538,458.00
Actuarial Value of Plan Assets	-	-	-
Unfunded Actuarial Accrued Liability (UAAL)	$ 136,109,526.00	$ 71,960,419.00	$ 95,538,458.00
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0.0%	0.0%	0.0%
Covered Payroll (Active Plan Members)	$ 53,803,000.00	$ 53,259,000.00	$ 69,756,000.00
UAAL as a Percentage of Covered Payroll	253.0%	135.1%	137.0%

Note 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Funded Status and Funding Progress (Cont'd) - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, as shown on the previous page, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the December 31, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The actuarial assumptions included the following:

- *Mortality*. RP 2000 Combined Healthy Male Mortality Rates set forward three years.
- *Turnover*. NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility.
- *Assumed Retirement Age.* Based on first eligibility after the completion of 30 years of service and age 65 if hired on or after 7/28/2011, age 62 and 25 years of service if hired on or after 11/2/2008, age 60 and 25 years of service for single if hired on or after 7/1/2007, and age 55 and 25 years of service for all others.
- *Full Attribution Period.* Service to assumed retirement age.
- *Annual Discount Rate*. Future costs have been discounted at the rate of 4.5% compounded annually for GASB 45 purposes.
- *Medical Trend*. 7.5% in 2015, reducing by .5% per annum, leveling at 5% per annum in 2020.
- *Medical Cost Aging Factor*. NJSHBP Medical Morbidity Rates.

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Note 10: COMPENSATED ABSENCES

Permanent full-time employees are entitled to fifteen paid sick leave days each year. Temporary employees are entitled to one sick day per month. Unused sick leave may be accumulated and carried forward to subsequent years. Employees earn vacation days in accordance with the number of years of service. Unused vacation days earned during the year may only be carried over to the subsequent year. Unused vacation days carried over from the previous year are forfeited.

Under existing policies of the County, upon retirement employees will receive one-half of the accumulated unused sick leave to a maximum of $15,000. Unused accumulated vacation is paid for at straight time.

The accumulated cost of unused sick and vacation time has not been recorded in the financial statements as presented, however at December 31, 2016, it is calculated that accrued unused sick and vacation time payable are valued at $6,722,548.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2016, the balance of the fund was $21,981.90.

Note 11: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 12: SANITARY LANDFILL ESCROW CLOSURE FUND

The County of Burlington Resource Recovery Complex is located in portions of Florence and Mansfield Townships. The County operates landfill cells, which are located in Mansfield Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to $1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection.

In September of 1999, the County began directing waste into Landfill No. 2. As of December 10, 1999, all solid waste delivered to the Complex is deposited in Landfill No. 2. Landfill No. 2 has a projected estimated net refuse volume of approximately 8,185,000 cubic yards and tonnage capacity of 6,138,752 tons with a projected life of 16.6 years.

During 2016, a total of 322,897 tons of solid waste was deposited in Landfill No. 2. Based on a conventional landfill development schedule and a waste loading rate of 330,000 tons per year at a compaction rate of 1,500 pounds of solid waste per cubic yard of airspace, Landfill No. 2 will reach final design capacity in 2018.

The escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with the closure are not known.

Note 13: LEASE OBLIGATIONS

Capital Leases Payable - The County is leasing certain equipment and improvements under capital leases. All capital leases are for terms of ten to twenty years and interest rates ranging from 3.00% to 5.25%. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2016.

General Capital Fund	Amount
Year Ending December 31,	
2017	$ 6,804,014
2018	6,683,690
2019	6,670,670
2020	6,654,150
2021	7,976,950
2022-2026	21,030,750
2027-2031	15,073,950
Total minimum lease payments	70,894,174
Less amount representing interest	16,539,174
Present value of net minimum lease payments	54,355,000
Notes Issued	74,775,000
Authorized but not Issued	61,067,900
	$ 190,197,900

Solid Waste Capital Fund	Amount
Year Ending December 31,	
2017	$ 3,383,530
2018	3,225,040
2019	2,756,130
2020	2,707,330
2021	2,528,650
2022-2026	20,600,450
2027-2030	5,045,250
Total minimum lease payments	40,246,380
Less amount representing interest	10,457,380
Present value of net minimum lease payments	$ 29,789,000

Note 14: <u>CAPITAL DEBT</u>

General Debt – Serial Bonds

General Improvement Bonds, Series 2002A - On October 01, 2002, the County issued $45,300,000.00 of general improvement bonds with interest rates of 5.000%. The bonds were issued for the purpose of funding various capital projects in the County. The final maturity of the bonds is October 15, 2017.

Vocational School Bonds, Series 2003 - On November 20, 2003, the County issued $9,995,000.00 in Vocational School bonds with interest rates of 5.000%, The purpose of the bonds was to fund improvements at the County Vocational School. The final maturity of the bonds is December 1, 2019.

County College Bonds, Series 2007 - On June 13, 2007, the County issued $5,800,000.00 of County College bonds with interest rates ranging from 4.200% to 4.375%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 1, 2017.

General Obligation Bonds Series A 2007 – On August 29, 2007, the County issued $35,128,000.00 of General Obligation bonds with interest rates of 4.250%. The purpose of the bonds was to fund various capital projects in the County. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2017.

General Obligation Bonds, Series B 2007 BCIT – On August 29, 2007, the County issued $7,500,000.00 with interest rates of 4.250%. The purpose of the bonds was to fund improvements at the County Vocational School. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2017.

General Obligation Bonds, Series D 2007 SSSD – On August 29, 2007, the County issued $3,259,000.00 with interest rates of 4.250%. The purpose of the bonds was to fund improvements at the County Special Services School District. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2017.

County College Bonds, Series 2008 - On June 25, 2008, the County issued $12,200,000.00 of County College bonds with interest rates ranging from 3.750% to 4.000%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 15, 2020.

General Improvement Bonds, Series 2008A - On September 2, 2008, the County issued $31,981,000.00 of general improvement bonds with interest rates ranging from 3.500% to 4.000%. The bonds were issued for the purpose of funding various capital projects in the County. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2018.

Special Services Schools Bonds, Series 2008B – On September 2, 2008, the County issued $580,000.00 with interest rates of ranging from 3.500% to 4.000%. The purpose of the bonds was to fund improvements at the County Special Services School District. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2018.

Vocational School Bonds, Series 2008B - On September 2, 2008, the County issued $2,715,000.00 in Vocational School bonds with interest rates ranging from 3.500% to 4.000%. The purpose of the bonds was to fund improvements at the County Vocational School. In 2016, these bonds were refunded; the final maturity of the bonds is September 1, 2018.

General Improvement Bonds, Series 2009 – On December 3, 2009, the County issued $32,475,000.00 of General Improvement bonds with interest rates ranging from 2.500% to 4.000%. The purpose of the purpose of the bonds was to fund various capital projects in the County. The final maturity of the bonds is July 15, 2025.

Note 14: <u>CAPITAL DEBT (CONT'D)</u>

General Debt – Serial Bonds (Cont'd)

General Obligation Bonds, Series 2010 Federally Taxable – Issuer Subsidy – Recovery Zone Economic Development Bonds – On December 15, 2010, the County issued $15,629,000.00 of General Obligation bonds with interest rates ranging from 3.750% to 5.650%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of the bonds is December 15, 2025.

County College Bonds, Series 2010 - On June 1, 2010, the County issued $2,353,000.00 of County College bonds with interest rates ranging from 3.000% to 3.250%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 1, 2020.

Refunding Bonds, Series 20011A, - On March 15, 2011, the County issued $22,091,000.00 with interest rates of 5.000%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of bonds is September 15, 2019.

General Obligation Bonds Series 2013A – On May 22, 2013, the County issued $36,912,000.00 of General Obligation bonds with interest rates ranging from 2.000% to 3.000%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of the bonds is May 15, 2028.

General Obligation Bonds Series 2013B – On September 5, 2013, the County issued $40,204,000.00 of General Obligation bonds with interest rates ranging from 3.000% to 4.500%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of the bonds is September 1, 2033.

Vocational School Bonds, Series 2014A1 - On December 1, 2013, the County issued $4,250,000.00 in Vocational School bonds with interest rates ranging from 3.000% to 5.000%. The purpose of the bonds was to fund improvements at the County Vocational School. The final maturity of the bonds is December 1, 2019.

County College Bonds - On June 25, 2014, the County issued $7,850,000.00 of County College bonds with interest rates ranging from 2.000% to 3.000%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 1, 2026.

General Obligation Bonds Series 2015A – On May 18, 2015, the County issued $30,673,000.00 of General Obligation bonds with interest rates ranging from 2.000% to 3.500%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of the bonds is May 1, 2033.

General Obligation Refunding Bonds Series 2016A1 – On March 22, 2016, the County issued $30,345,000.00 of General Obligation Refunding Bonds with interest rates of 4%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of the bonds is September 1, 2022.

Vocational and Special Services Schools Refunding Bonds, Series 2016A2 – On March 22, 2016, the County issued $1,145,000.00 Vocational and Special Services Schools Refunding Bonds with interest rates of 3%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of the bonds is September 1, 2022.

County College Bonds - On June 29, 2016, the County issued $7,900,000.00 of County College bonds with interest rates ranging from 1% to 2%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 1, 2028.

Note 14: CAPITAL DEBT (CONT'D)

General Debt – Serial Bonds (Cont'd)

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

Year	Principal	Interest	Total
2017	$ 21,594,001	$ 6,848,294	$ 28,442,295
2018	21,898,000	6,040,744	27,938,744
2019	20,962,000	5,271,548	26,233,548
2020	18,855,000	4,452,056	23,307,056
2021	17,410,000	3,855,695	21,265,695
2022-2026	59,109,000	11,760,159	70,869,159
2027-2031	28,545,000	4,534,041	33,079,041
2032-2033	9,650,000	519,125	10,169,125
	$ 198,023,001	$ 43,281,662	$ 241,304,663

General Debt – Green Acres Loans

The County entered into a loan agreement with the New Jersey Department of Environmental Protection at an interest rate of 2.0%. The proceeds were used to fund the Township of Medford – Camp Ockanickon project. The final maturity of the loan is in 2017.

The County entered into a loan agreement with the New Jersey Department of Environmental Protection at an interest rate of 2.0%. The proceeds were used to fund the Rancocas Greenway project. The final maturity of the loan is in 2020.

The County entered into a loan agreement with the New Jersey Department of Environmental Protection at an interest rate of 2.0%. The proceeds were used to fund the Medfour Properties project. The final maturity of the loan is in 2025.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Green Acres loans:

Year	Principal	Interest	Total
2017	$ 234,307	$ 13,047	$ 247,354
2018	176,744	8,647	185,390
2019	180,296	5,094	185,390
2020	94,156	1,470	95,627
2021	5,387	475	5,863
2022-2025	19,723	797	20,520
	$ 710,614	$ 29,530	$ 740,144

Note 14: CAPITAL DEBT (CONT'D)

General Debt – New Jersey Environmental Infrastructure (EIT) Loans

The County entered into a loan agreement with the New Jersey Environmental Infrastructure Trust, at no interest, from the fund loan, and at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund farmland / open space preservation. Semiannual debt payments are due February 1st and August 1st through 2018.

On May 21, 2014, the County entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide $2,115,306.00, at no interest, from the fund loan, and $730,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund storm sewer rehab, vac truck, street sweeper projects. Semiannual debt payments are due February 1st and August 1st through 2033.

On November 12, 2015, the County entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide $1,270,447.00, at no interest, from the fund loan, and $410,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund storm water quality enhancement projects. Semiannual debt payments are due February 1st and August 1st through 2036.

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

Year	Principal	Interest	Total
2017	$ 490,898	$ 46,992	$ 537,889
2018	517,698	46,388	564,086
2019	223,311	39,938	263,248
2020	223,311	37,838	261,148
2021	228,311	35,588	263,898
2022-2026	1,176,553	138,988	1,315,540
2027-2031	1,241,553	79,938	1,321,490
2032-2036	669,397	22,213	691,610
	$ 4,771,030	$ 447,879	$ 5,218,909

Solid Waste Utility Debt – Serial Bonds

Taxable General Obligation Bonds - On March 31, 2008, the County issued $17,000,000.00 of bonds with interest rates ranging from 5.000% to 6.200%. The purpose of the bonds was to fund improvements at the County Solid Waste Complex. The final maturity of the bonds is October 1, 2027.

General Obligation Bonds - On October 12, 2011, the County issued $10,675,000.00 of bonds with interest rates ranging from 2.25% to 4.00%. The purpose of the bonds was to fund improvements at the County Solid Waste Complex. The final maturity of the bonds is June 1, 2027.

General Obligation Bonds (Refunding) - On March 11, 2013, the County issued $23,965,000.00 of refunding bonds with interest rates ranging from 3.00% to 5.00%. The purpose of the bonds was to refund bonds that were used to fund improvements at the County Solid Waste Complex. The final maturity of the bonds is June 1, 2024.

Note 14: CAPITAL DEBT (CONT'D)

Solid Waste Utility Debt – Serial Bonds (Cont'd)

The following schedule represents the remaining debt service, through maturity, for the Solid Waste Utility serial bonds:

Year	Principal	Interest	Total
2017	$ 3,570,000	$ 1,870,934	$ 5,440,934
2018	3,700,000	1,728,453	5,428,453
2019	3,875,000	1,555,097	5,430,097
2020	4,050,000	1,373,233	5,423,233
2021	4,240,000	1,182,759	5,422,759
2022-2026	17,445,000	2,870,206	20,315,206
2027	2,210,000	118,980	2,328,980
	$ 39,090,000	$ 10,699,662	$ 49,789,662

The following schedule represents the County's summary of debt for the current and two previous years:

	2016	2015	2014
Issued			
General:			
Bonds, Loans and Notes	$ 267,578,645	$ 246,889,847	$ 265,030,255
Sold Waste Utility:			
Bonds, Loans and Notes	68,116,000	68,999,492	68,544,755
Total Issued	335,694,645	315,889,339	333,575,010
Authorized but not Issued			
General:			
Bonds, Loans and Notes	78,427,078	65,070,554	69,784,637
Sold Waste Utility:			
Bonds, Loans and Notes	6,193,733	11,026,333	9,896,271
Total Authorized but not Issued	84,620,810	76,096,887	79,680,908
Total Issued and Authorized but not Issued	420,315,455	391,986,226	413,255,918
Deductions			
General:			
Accounts Receivable from Other Public Authorities for Payment of the Gross Debt	10,675,000	8,482,500	10,092,500
Funds Temporarily Held to Pay Bonds and Notes	20,363,741	21,468,427	21,365,982
Sold Waste Utility:			
Self-Liquidating	74,309,733	80,025,825	78,441,026
Total Deductions	105,348,474	109,976,752	109,899,508
Net Debt	$ 314,966,982	$ 282,009,475	$ 303,356,410

Note 14: CAPITAL DEBT (CONT'D)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .684%.

	Gross Debt	Deductions	Net Debt
Debt Guaranteed by the County	$ 329,431,000	$ 329,431,000	
Solid Waste Utility	74,309,733	74,309,733	
General Debt	346,005,723	31,038,741	$ 314,966,982
	$ 749,746,455	$ 434,779,474	$ 314,966,982

Net debt $314,966,982 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, $46,049,674,354, equals .684%.

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

2% of Equalized Valuation Basis (County)	$ 920,993,487
Less: Net Debt	314,966,982
Remaining Borrowing Power	$ 606,026,505

Calculation of "Self-Liquidating Purpose,"
Solid Waste Utility Per N.J.S.A. 40:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year		$ 34,029,664
Deductions:		
Operating and Maintenance Costs	$ 17,977,380	
Debt Service	11,339,892	
Total Deductions		29,317,272
Excess/(Deficit) in Revenue		$ 4,712,392

A revised Annual Debt Statement should be filed.

Note 15: DEFEASED DEBT

In prior years, the County defeased certain general obligation bonds by placing the proceeds of new bonds in a separate irrevocable trust fund. The investments and fixed interest earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt is considered defeased and therefore removed as a liability from the County's financial statements. As of December 31, 2016, the total amount of defeased debt outstanding, but removed from the County's financial statements, is $43,920,000.00.

Note 16: RESERVE FOR INTEREST REBATE

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

The County of Burlington has several issues of bonds outstanding, which are subject to rebate. Rebate calculations on these bonds are required to be made at least once every five years. The County elected to establish a reserve account in the Solid Waste Utility Operating Fund in the amount of $100,000 in case a rebate may be required as the result of the occurrence of future events.

Note 17: COUNTY OWNED LANDFILL - CLOSURE AND POST-CLOSURE COSTS

On January 27, 1988, the County Freeholders, by adoption of Resolution No. 42, created the Burlington County Solid Waste Utility Fund. All outstanding debt and all authorized but not issued debt attributable to solid waste projects was transferred from the General Capital Fund to the Solid Waste Utility Capital Fund.

Officially, operations at the Resource Recovery Complex began on February 1, 1989 with nine municipalities being served. A phase in period was established for the remaining Burlington County municipalities. As of January 2, 1992, all municipalities within Burlington County are being served. The Complex also accepts solid waste from private haulers.

Pursuant to N.J.A.C. 7:26-2A.9, the County directed its engineer to update the closure/post-closure plan along with the required financial schedules. The latest revision of January 2015 was received from the Engineer, and the report reflects the following:

Closure

Within that report, closure costs are estimated to be $35,049,105.00. It is expected that such closure costs, assuming an inflation rate of 2.0% as estimated by the Engineer, would begin in the year 2022 to the year 2028 when the operations at the landfill site would cease. It is projected that funding will be provided by the Escrow Tax Fund mandated by the New Jersey Department of Environmental Protection.

Post-Closure

Post-closure costs for the thirty-year period would begin in the year 2029 and end 2058. The overall projected costs, assuming an inflation rate of 2.0% as estimated by the engineer, would total $27,771,530.00. It is projected that funding will be provided by the Escrow Tax Fund mandated by the New Jersey Department of Environmental Protection.

Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for estimated liability for combined closure and post-closure costs based on landfill capacity as of December 31, 2016.

Note 17: COUNTY OWNED LANDFILL - CLOSURE AND POST-CLOSURE COSTS (CONT'D)

Closure and Post-Closure Plan Funding and Projected Costs

The County Landfill's funding includes accumulated contributions and investment income at December 31, 2014 (per January 2015 plan), and additional estimated contributions and estimated investment income subsequent to December 31, 2014. The County Landfill's funding progress regarding the plan overall are as follows:

New Jersey Department of Environmental Protection and Energy Escrow Tax Account Balance at December 31, 2014	$	15,262,481
Remaining Estimated per ton Contribution to be made by the County to the NJDEP Escrow Tax Account		4,240,000
Projected Investment Earnings Assuming an Interest Rate of 2.0% for 2014-2015 and 6.0% for 2016-2058		34,594,213
In-Kind Costs for Final Cover		11,833,523
Projected Ending Closure Fund Balance 2058		(3,109,582)
	$	62,820,635
Closure	$	35,049,105
Post Closure		27,771,530
	$	62,820,635

Note 18: DEBT SERVICE AGREEMENTS

The County of Burlington adopted resolutions in 2013 authorizing the guaranty for the Burlington County Bridge Commission Bonds in an amount not to exceed $60,000,000; in 2015 $5,000,000 was canceled and in 2016 bonds of $30,095,000 were issued. At December 31, 2016, notes in the amount of $24,905,000 have been issued and the County is the only participant in this issue.

The County of Burlington adopted resolutions in 2013 authorizing the guaranty for the Burlington County Bridge Commission Bonds in an amount not to exceed $46,000,000. The County is the only participant in this issue.

The County of Burlington adopted resolutions in 2014 authorizing the guaranty for the Burlington County Bridge Commission Bonds in an amount not to exceed $39,937,900. The County is the only participant in this issue.

At December 31, 2016, notes in the amount of $49,870,000 have been issued on the combined amount of the $46,000,000 and $39,937,900 issues.

The County of Burlington adopted resolutions in 2015 authorizing the guaranty for the Burlington County Bridge Commission Bonds in an amount not to exceed $25,000,000. The County is the only participant in this issue.

The County – Guaranteed Burlington County Bridge Commission Bonds totaling $329,431,000 as of December 31, 2016 are as follows:

October 1, 2002	Pooled Loan Revenue Bonds	$ 1,199,000.00
November 20, 2003	Lease Revenue Bonds	10,000.00
December 7, 2005	Pooled Loan Revenue Bonds	3,370,000.00
September 16, 2006	Lease Revenue Bonds	4,425,000.00
September 16, 2006	Pooled Loan Revenue Bonds	8,725,000.00
August 15, 2007	Lease Revenue Refunding Bonds	21,565,000.00
November 28, 2007	Pooled Loan Revenue Bonds	1,710,000.00
August 15, 2009	Pooled Loan Revenue Bonds	11,060,000.00
October 27, 2010	Pooled Loan Revenue Bonds	11,475,000.00
March 16, 2011	Loan Revenue Refunding Bonds	9,020,000.00
September 8, 2011	Loan Revenue Refunding Bonds	6,830,000.00
March 11, 2013	Loan Revenue Refunding Bonds	13,325,000.00
October 1, 2013	Bridge System Revenue Bonds	37,555,000.00
October 7, 2013	Loan Revenue Refunding Bonds	28,300,000.00
January 2, 2014	Loan Revenue Refunding Bonds	10,102,000.00
June 25, 2014	Lease Revenue Refunding Bonds	8,800,000.00
	2013-2015 Capital Lease Program Notes	74,775,000.00
	2015 Notes - Bridge commission Capital Improvements	49,525,000.00
	2016 Lease Revenue Bonds	27,660,000.00
		$ 329,431,000.00

At December 31, 2016 the County's balance payable of the Burlington County Bridge Commission's Governmental Leasing Program (Debt Service Agreements) was $129,130,000 in the General Capital Fund and $29,789,000 in the Utility Capital Fund, see Lease Obligations Note.

Note 19: INSURANCE COMMISSION

The County is a member of the Burlington County Insurance Commission. The Commission provides its members with the following coverage:

Health Insurance
Workers' Compensation and Employer's Liability
General Liability
Auto Liability, Auto Physical Damage
Property
Employee Dishonesty

Contributions to the Commission, including a reserve for contingencies, are based on actuarial assumptions determined by the Commission’s actuary. The Commission may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission purchases excess insurance for coverage in excess of the Commission’s self-insured retention limits.

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

Burlington County Insurance Commission
9 Campus Drive, Suite 216
Parsippany, NJ 07054

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST

On November 5, 1996, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of Burlington County authorized the establishment of the Burlington County Open Space, Recreation, Farmland and Historic Preservation Trust Fund effective January 1, 1997, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. The County proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation for fifteen years. Amounts raised by taxation are apportioned by the County Board of Taxation among the municipalities in accordance with N.J.S.A. 54:4-9 and are assessed, levied and collected in the same manner and at the same time as other County taxes. On November 3, 1998, the voters of Burlington County authorized an increase in the Open Space, Recreation, Farmland and Historic Preservation tax from two cents per hundred to four cents per hundred dollars of equalized valuation for twenty years, and on November 7, 2006 the voters extended the tax to 2036. In 2016, revenue from the tax was allocated as follows: two cents to open space preservation and two cents to historical preservation, maintenance and development of lands acquired for recreation and conservation purposes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purpose stated. Interest earned on the investment of these funds is credited to the Burlington County Open Space, Recreation, Farmland and Historic Preservation Trust Fund.

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

Pursuant to the adoption of a resolution the County Board of Chosen Freeholders accepted and approved the Strategic Plans for the Farmland Preservation Program and the Open Space Preservation Program. The County of Burlington has entered into various Installment Purchase Agreements to obtain the rights to Open Spaces and Farmlands in order to permanently restrict the rights to develop these properties. The Strategic Plans provide for the acquisition of property or the rights to property through the use of various conservation easements, development rights, direct purchase and public-private partnerships.

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements:

Resolution Number	Issue Date	IPA Account Number	Principal Due Date	Initial Investment Required	Investment Value At Maturity
2002-480	07/19/02	2002-01	11/15/17-11/15/18	Not Applicable	Not Applicable
2001-899	11/15/02	2002-02	11/15/17-11/15/18	Not Applicable	Not Applicable
2002-723	11/14/02	2002-03	11/15/17-11/15/18	Not Applicable	Not Applicable
2002-885	12/05/02	2002-04	11/15/17-11/15/18	Not Applicable	Not Applicable
2001-898	02/17/03	2003-01	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-058	02/21/03	2003-02	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-059	02/17/03	2003-03	11/15/17-11/15/18	Not Applicable	Not Applicable
2002-625	03/10/03	2003-03A	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-414	07/10/03	2003-05	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-487	07/15/03	2003-06	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-488	08/05/03	2003-07	11/15/17-11/15/18	Not Applicable	Not Applicable
2003-869	12/15/03	2003-08	11/15/17-11/15/18	Not Applicable	Not Applicable
2004-261	04/21/04	2004-01	11/15/17-11/15/18	Not Applicable	Not Applicable
2004-263	04/21/04	2004-02	11/15/17-11/15/18	Not Applicable	Not Applicable
2004-262	04/21/04	2004-03	11/15/17-11/15/18	Not Applicable	Not Applicable
2001-900	04/15/05	2005-01	11/15/17-11/15/18	Not Applicable	Not Applicable
2005-228	04/15/05	2005-02	11/15/17-11/15/18	Not Applicable	Not Applicable
2005-306	05/15/05	2005-03	11/15/17-11/15/18	Not Applicable	Not Applicable
2006-298	07/25/06	2006-01	11/15/17-11/15/18	Not Applicable	Not Applicable
2006-1109	12/15/06	2006-02	11/15/17-11/15/18	Not Applicable	Not Applicable
2007-983	12/11/07	2007-01	11/15/17-11/15/26	Not Applicable	Not Applicable
2008-362	06/24/08	2008-01	11/15/17-11/15/27	Not Applicable	Not Applicable
2003-217	06/24/08	2008-02	11/15/17-11/15/27	Not Applicable	Not Applicable
2008-622	08/27/08	2008-03	11/15/17-11/15/28	Not Applicable	Not Applicable
2011-277	11/15/12	2012-01	11/15/17-11/15/31	Not Applicable	Not Applicable
2011-276	04/26/14	2014-01	11/15/17-11/15/33	Not Applicable	Not Applicable
2013-561	11/17/14	2015-01	11/15/17-11/15/34	Not Applicable	Not Applicable
2001-400	09/11/01	70-T031-29-6	11/15/18	$90,414	$238,000
2001-308	02/11/02	70-T035-36-2	11/15/18	150,662	397,000
2001-400	04/25/02	70-T036-37-8	11/15/18	116,484	316,000
2001-597	05/07/02	70-T037-38-4	11/15/18	844,011	2,229,000
2001-400	06/04/02	70-T038-39-0	11/15/18	109,454	291,000
2001-597	07/17/02	70-T039-40-6	11/15/18	196,017	508,000
2001-308	07/12/02	70-T040-41-2	11/15/18	91,653	230,000
2001-308	08/29/02	70-T041-42-8	11/15/18	91,318	218,000
2001-308	09/12/02	70-T042-43-4	11/15/18	94,250	225,000
2002-621	09/26/02	70-T043-44-0	11/15/18	260,998	585,000
2002-179	11/01/02	70-T045-46-0	11/15/18	250,096	598,000
2002-689	03/14/03	70-T046-47-6	11/15/18	357,000	767,000
2002-564	05/08/03	70-T047-49-0	11/15/18	64,482	139,000

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements (Cont'd):

Resolution Number	Issue Date	IPA Account Number	Principal Due Date	Initial Investment Required	Investment Value At Maturity
2003-445	09/12/03	70-T048-50-6	11/15/18	$822,420	$1,879,000
2003-445	09/12/03	70-T049-51-2	11/15/18	87,538	200,000
2003-098	10/01/03	70-T050-52-8	11/15/18	110,205	237,000
2003-098	10/01/03	70-T051-53-4	11/15/18	109,740	236,000
2003-060	10/29/03	70-T052-54-0	11/15/18	52,216	116,000
2003-060	10/29/03	70-T053-55-5	11/15/18	182,307	405,000
2003-098	12/30/03	70-T054-56-1	11/15/18	78,573	169,000
2003-060	02/06/04	70-T055-57-6	11/15/18	62,444	132,000
2003-060	02/06/04	70-T056-58-2	11/15/18	62,444	132,000
2004-036	09/01/04	70-T057-59-8	11/15/18	647,095	1,317,000
2004-040	09/21/04	70-T058-60-4	11/15/18	69,993	140,000
2004-040	10/07/04	70-T059-61-0	11/15/18	248,790	500,000
2004-040	12/31/04	70-T060-62-6	11/15/18	1,441,822	2,849,000
2004-040	12/31/04	70-T061-63-2	11/15/18	360,329	712,000
2004-040	12/31/04	70-T062-64-8	11/15/18	360,329	712,000
2004-040	12/31/04	70-T063-65-3	11/15/18	360,329	712,000
2004-040	12/31/04	70-T064-66-9	11/15/18	360,329	712,000
2005-772	01/13/05	70-T065-67-4	11/15/18	153,951	300,000
2005-772	01/13/05	70-T066-68-0	11/15/18	153,951	300,000
2005-772	06/21/05	70-T067-69-6	11/15/18	990,068	1,795,000
2005-544	01/24/06	70-T068-70-2	11/15/18	73,820	132,000
2005-774	02/22/06	70-T069-71-8	11/15/18	547,060	1,000,000
2006-304	09/06/06	70-T070-72-4	11/15/18	157,979	287,000
2006-304	09/06/06	70-T071-73-0	11/15/18	157,979	287,000
2006-408	04/11/07	70-T072-74-6	11/15/18	124,374	219,000
2006-408	04/11/07	70-T073-75-1	11/15/18	123,807	218,000
2006-408	04/11/07	70-T074-76-7	11/15/18	123,807	218,000
2006-408	04/11/07	70-T075-77-2	11/15/18	124,374	219,000
2006-303	06/14/07	70-T076-78-8	11/15/18	80,892	148,000
2006-303	06/14/07	70-T077-79-4	11/15/18	80,892	148,000
2007-072	06/20/07	70-T078-80-0	11/15/18	54,772	100,000
2007-072	06/20/07	70-T079-81-6	11/15/18	54,772	100,000
2007-195	08/16/07	70-T080-83-0	11/15/20	254,400	500,000
2007-114	08/23/07	70-T081-84-6	11/15/18	578,140	1,000,000
2006-1093	10/12/07	70-T082-85-1	11/15/18	662,739	1,139,000
2006-1093	10/12/07	70-T083-86-7	11/15/18	283,948	488,000
2007-234	11/29/07	70-T084-87-3	11/15/18	121,928	195,000
2007-234	11/29/07	70-T085-88-8	11/15/18	121,928	195,000
2007-234	11/29/07	70-T086-89-4	11/15/24	95,257	205,000
2007-196	11/30/07	70-T087-90-0	11/15/18	50,027	80,000
2007-234	12/28/07	70-T088-91-6	11/15/36	79,755	300,000
2007-1086	12/28/07	70-T089-92-2	11/15/27	583,334	1,495,000
2007-1086	12/28/07	70-T090-93-8	11/15/27	583,334	1,495,000
2007-490	02/07/08	70-T091-94-4	11/15/18	137,084	210,000
2007-490	02/07/08	70-T092-95-9	11/15/18	136,431	209,000
2007-835	10/16/08	70-T093-96-5	11/15/18	155,064	240,000
2007-835	10/16/08	70-T034-32-4	11/15/23	119,105	240,000
2008-671	10/31/08	70-T094-98-9	11/15/36	1,167,028	3,764,000
2007-192	12/10/08	70-T095-99-4	11/15/18	131,908	188,000

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements (Cont'd):

Resolution Number	Issue Date	IPA Account Number	Principal Due Date	Initial Investment Required	Investment Value At Maturity
2007-192	12/10/08	70-T096-01-8	11/15/18	$132,610	$189,000
2008-1015	05/12/10	74-9667-01-0	11/15/36	153,384	462,000
2010-101	06/29/10	70-8870-01-9	11/15/20	213,318	281,000
2010-275	12/15/10	70-8891-01-5	11/15/30	69,915	210,000
2010-278	12/28/10	70-8892-01-3	11/15/30	217,935	500,000
2010-278	12/28/10	70-8893-01-1	11/15/30	435,870	1,000,000
2010-278	12/28/10	70-8894-01-9	11/15/30	217,935	500,000
2012-148	03/28/12	70-8915-01-2	11/15/22	150,542	189,000
2012-146	03/28/12	70-8927-01-7	11/15/32	498,171	868,000
2014-270	05/2015	70-8957-01-4	08/01/25	156,280	200,000

Township of Evesham (IPA 2002-01 & 2002-03) - At the closing of IPA 2002-01 & 2002-03, the County signed Promissory Notes in the amounts of $384,000 (Musulin Property) and $400,000 (Pachoango Property). The notes are to be paid off to the Township of Evesham in sixteen equal installments commencing 11/15/03. There is no interest due on these notes and the last payment for both notes is November 15, 2018.

Township of Moorestown (IPA 2002-02) - At the closing of IPA 2002-02, the County signed a Promissory Note in the amount of $96,000 (Wigmore Property). The note is to be paid off to the Township of Moorestown in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Eastampton (IPA 2002-04) - At the closing of IPA 2002-04, the County signed a Promissory Note in the amount of $208,000 (Tabas Property). The note is to be paid off to the Township of Eastampton in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mount Laurel (IPA 2003-01) - At the closing of IPA 2003-01, the County signed a Promissory Note in the amount of $544,000 (Conrow / Goodwin Property). The note is to be paid off to the Township of Mount Laurel in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mount Laurel (IPA 2003-02) - At the closing of IPA 2003-02, the County signed a Promissory Note in the amount of $496,000 (Cuzzimano Property). The note is to be paid off to the Township of Mount Laurel in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mount Laurel (IPA 2003-03) - At the closing of IPA 2003-03, the County signed a Promissory Note in the amount of $244,000 (Barrett Property). The note is to be paid off to the Township of Mount Laurel in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Bordentown (IPA 2003-03A) - At the closing of IPA 2003-03A, the County signed a Promissory Note in the amount of $960,000 (Federal Property). The note is to be paid off to the Township of Bordentown in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements (Cont'd):

Township of Eastampton (IPA 2003-05) - At the closing of IPA 2003-05, the County signed a Promissory Note in the amount of $1,744,000 (Eastampton, LLC Property). The note is to be paid off to the Township of Eastampton in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mount Laurel (IPA 2003-06) - At the closing of IPA 2003-06, the County signed a Promissory Note in the amount of $288,250 (Guidotti Property). The note is to be paid off to the Township of Mount Laurel in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mount Laurel (IPA 2003-07) - At the closing of IPA 2003-07, the County signed a Promissory Note in the amount of $374,000 (Paragon Homes Property). The note is to be paid off to the Township of Mount Laurel in sixteen equal installments commencing 11/15/03. Interest is due on this note and the last note payment is November 15, 2018.

Township of Medford (IPA 2003-08) - At the closing of IPA 2003-08, the County signed a Promissory Note in the amount of $450,000 (JCC Camp Property). The note is to be paid off to the Township of Medford in fifteen equal installments commencing 11/15/04. Interest is due on this note and the last note payment is November 15, 2018.

Township of Mansfield (IPA 2004-01) - At the closing of IPA 2004-01, the County signed a Promissory Note in the amount of $127,500 (Tower Gate Property). The note is to be paid off to the Township of Mansfield in fifteen installments commencing 11/15/04. Interest is due on this note and the last note payment is November 15, 2018.

Township of Evesham (IPA 2004-02) - At the closing of IPA 2004-02, the County signed a Promissory Note in the amount of $108,250 (Hamilton Property). The note is to be paid off to the Township of Evesham in fifteen installments commencing 11/15/04. Interest is due on this note and the last note payment is November 15, 2018.

Township of Evesham (IPA 2004-03) - At the closing of IPA 2004-03, the County signed a Promissory Note in the amount of $1,025,000 (Croft Property). The note is to be paid off to the Township of Evesham in fifteen installments commencing 11/15/04. Interest is due on this note and the last note payment is November 15, 2018.

Township of Moorestown (IPA 2005-01) - At the closing of IPA 2005-01, the County signed a Promissory Note in the amount of $1,743,750 (Benner Property). The note is to be paid off to the Township of Moorestown in fourteen installments commencing 11/15/05. Interest is due on this note and the last note payment is November 15, 2018.

Township of Westampton (IPA 2005-02) - At the closing of IPA 2005-02, the County signed a Promissory Note in the amount of $512,500 (Rancocas Property). The note is to be paid off to the Township of Westampton in fourteen installments commencing 11/15/05. Interest is due on this note and the last note payment is November 15, 2018.

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements (Cont'd):

Township of Lumberton (IPA 2005-03) - At the closing of IPA 2005-03, the County signed a Promissory Note in the amount of $206,250 (Raab Property). The note is to be paid off to the Township of Lumberton in fourteen installments commencing 11/15/05. Interest is due on this note and the last note payment is November 15, 2018.

Township of Evesham (IPA 2006-01) - At the closing of IPA 2006-01, the County signed a Promissory Note in the amount of $260,000 (Johnston Property). The note is to be paid off to the Township of Evesham in thirteen installments commencing 11/15/06. Interest is due on this note and the last note payment is November 15, 2018.

Township of Hainesport (IPA 2006-02) - At the closing of IPA 2006-02, the County signed a Promissory Note in the amount of $200,000 (Wells/Johnson Property). The note is to be paid off to the Township of Hainesport in twelve installments commencing 11/15/07. Interest is due on this note and the last note payment is November 15, 2018.

Township of Burlington (IPA 2007-01) - At the closing of IPA 2007-01, the County signed a Promissory Note in the amount of $412,500 (Tillinghast Property). The note is to be paid off to the Township of Burlington in nineteen installments commencing 11/15/08. Interest is due on this note and the last note payment is November 15, 2026.

Township of Bordentown (IPA 2008-01) - At the closing of IPA 2008-01, the County signed a Promissory Note in the amount of $382,625 (Luyber Property). The note is to be paid off to the Township of Bordentown in twenty installments commencing 11/15/08. Interest is due on this note and the last note payment is November 15, 2027.

Township of Bordentown (IPA 2008-02) - At the closing of IPA 2008-02, the County signed a Promissory Note in the amount of $1,250,000 (Samost Property). The note is to be paid off to the Township of Bordentown in twenty installments commencing 11/15/08. Interest is due on this note and the last note payment is November 15, 2027.

Township of Medford (IPA 2008-03) - At the closing of IPA 2008-03, the County signed a Promissory Note in the amount of $2,487,500 (The Pointe Project). The note is to be paid off to the Township of Medford in twenty one installments commencing 11/15/08. Interest is due on this note and the last note payment is November 15, 2028.

Township of Chesterfield (IPA 2012-01) - At the closing of IPA 2012-01, the County signed a Promissory Note in the amount of $246,125 (Wilkinson Property). The note is to be paid off to the Township of Chesterfield in twenty installments commencing 11/15/12. Interest is due on this note and the last note payment is November 15, 2031.

Township of Westampton (IPA 2014-01) - At the closing of IPA 2014-01, the County signed a Promissory Note in the amount of $210,000 (Westampton). The note is to be paid off to the Township of Westampton in twenty installments commencing 11/15/14. Interest is due on this note and the last note payment is November 15, 2033.

Township of Delran (IPA 2015-01) - At the closing of IPA 2015-01, the County signed a Promissory Note in the amount of $305,325 (Delran). The note is to be paid off to the Township of Delran in twenty installments commencing 11/15/15. Interest is due on this note and the last note payment is November 15, 2034.

Note 20: OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST (CONT'D)

As of December 31, 2016, the County had entered into the following Installment Purchase Agreements (Cont'd):

With the exception of IPAs 2002-01 through 2002-04, 2003-01 through 2003-03a, 2003-05 through 2003-08, 2004-01 through 2004-03, 2005-01 through 2005-03, 2006-01 through 2006-02, 2007-01, 2008-01 through 2008-03, 2012-01, 2014-01, and 2015-01 all of the other IPAs were executed settlements which negotiated a fair price set to be paid at maturity. Until the principal maturity date, a negotiated interest payment will be paid twice yearly on the principal amount. On the closing date of the IPA transaction, the County would make a purchase of U.S. Treasury Stripes with a maturity schedule designed to meet the principal payment amount due to the sellers. The initial investment is previously shown.

Note 21: BOARD OF SCHOOL ESTIMATES

The Board of School Estimates approved an Appropriation of $15,894,974 for the Burlington County Institute of Technology for the School Year July 1, 2016 to June 30, 2017. The County funded this amount by appropriating $2,430,000 in the County's 2016 budget and $13,464,974 in the County's 2017 budget.

The Board of School Estimates approved an Appropriation of $4,800,000 for the Burlington County Special Services School District County for the School Year July 1, 2016 to June 30, 2017. The County funded this amount by appropriating $400,000 in the County's 2016 budget and $4,400,000 in the County's 2017 budget.

Note 22: TAX ABATEMENTS

Municipalities within the County are authorized to enter into property tax abatement agreements for commercial and industrial structures under N.J.S.A. 40A:21-1 (Chapter 441, P.L. 1991) known as the "Five Year Exemption and Abatement Law". Under this law, municipalities may grant property tax abatements for a period of five years from the date of completion of construction for the purpose of encouraging the construction of new commercial and industrial structures. The first calendar year following completion, 0 percent of taxes are due, and each subsequent calendar the percentage of taxes due increases by 20 percent. During the 6^{th} calendar year, 100 percent of taxes are assessed and due. The property owner agrees that the payment in lieu of taxes shall be made to the municipality in quarterly installments on those dates when real estate tax payments are due. Failure to make timely payments shall result in interest being assessed at the highest rate permitted for unpaid taxes and a real property tax lien on the land.

For 2016, the Abstract of Ratables for Burlington County indicated 15 of 40 municipalities abated property taxes under this program. The total assessed value abated was $56,861,126.00.

Note 23: CAPITAL DEBT REFUNDING

On March 22, 2016, the County issued $31,490,000.00 in general obligation bonds with an interest rate of 3.00-4.00% to advance refund $32,896,000.00 of outstanding 2007 and 2008 series bonds with an interest rate of 3.50-4.25%. The net proceeds of $34,873,255.53 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 and 2008 series bonds. As a result of the current refunding, the County will reduce its total debt service payments over the next seven years by almost $2,020,001.25, which results in an economic gain (difference between the present values of the debt service payments of the old and new debt) of $1,909,820.08, or 5.81% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded bonds was removed from the County's financial statements.

Note 24: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amount, if any, to be immaterial.

Litigation - The County is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the County, from such litigation is either unknown or potential losses, if any, would not exceed the available funds in the Reserve for General Liability Self Insurance.

Note 25: CONCENTRATIONS

The County depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 26: SUBSEQUENT EVENTS

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

Purpose	Date	Authorization
General Improvements		
Providing for the costs of design, construction, renovation and equipping of a multi-year, multi-phase capital improvement program in FY16 and beyond for Rowan College at Burlington County Campuses	05/10/17	$ 6,500,000

APPENDIX B

Form of Continuing Disclosure Certificate

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE is made as of November __, 2017 (**"Disclosure Certificate"**) by the County of Burlington, New Jersey, a political subdivision duly organized under the laws of the State of New Jersey (**"County"**).

W I T N E S S E T H:

WHEREAS, the County is issuing $__________ principal amount of General Obligation Refunding Bonds, Series 2017A, dated November __, 2017 **("Bonds"**) on the date hereof; and

WHEREAS, the Bonds are issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) a refunding bond ordinance duly and finally adopted by the Board of Chosen Freeholders of the County ("Board") on October 11, 2017 and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board on October 11, 2017; and (iv) a bond purchase contract, dated November __, 2017, between the County and Roosevelt & Cross, Incorporated ("Underwriter").

WHEREAS, the Securities and Exchange Commission (**"SEC"**) pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified on the date hereof at 15 *U.S.C.* 77 *et seq*.) (**"Securities Exchange Act"**), has adopted amendments to its Rule 15c2-12 (codified at 17 *C.F.R.* §240.15c2-12) (**"Rule 15c2-12"**) effective July 3, 1995 which generally prohibit a broker, dealer, or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the Municipal Securities Rulemaking Board; and

WHEREAS, the County represented in the Purchase Contract that it would deliver on the closing date for the Bonds a "Continuing Disclosure Certificate" pursuant to which the County will agree to provide at the times and to the persons described in Rule 15c2-12 the annual financial information and event notices required to be disclosed on a continual basis pursuant to Rule 15c2-12; and

WHEREAS, the execution and delivery of this Disclosure Certificate has been duly authorized by the County and all conditions, acts and things necessary and required to exist, to have happened, or to have been performed precedent to and in the execution and delivery of this Disclosure Certificate, do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the County is executing this Disclosure Certificate for the benefit of the Holders of the Bonds.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the County, its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Terms Defined in Recitals. The following terms shall have the meanings set forth in the recitals hereto:

Bonds	Rule 15c2-12
Disclosure Certificate	SEC
County	Securities Exchange Act
Purchase Contract	Underwriter

Section 1.2 Additional Definitions. The following additional terms shall have the meanings specified below:

"Annual Report" means Financial Statements and Operating Data provided at least annually.

"Bondholder" or **"holder"** or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, including holders of beneficial interests in the Bonds.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York or in Burlington County, New Jersey are authorized or required by law to close or (c) a day on which the New York Stock Exchange is closed.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the MSRB, through the internet facilities of EMMA, pursuant to Section 2.1(e) hereof; and (iii) any notice of a Disclosure Event required to be filed with the MSRB, through the internet facilities of EMMA, pursuant to Section 2.1(d) hereof.

"Disclosure Event" means any event described in subsection 2.1(d) of this Disclosure Certificate.

"Disclosure Event Notice" means the notice to the MSRB as provided in subsection 2.4(a) of this Disclosure Certificate.

"Disclosure Representative" means each of the Treasurer and the Chief Financial Officer of the County or their respective designees, or such other officer or employee as the County shall designate from time to time.

"Dissemination Agent" means an entity acting in such capacity under this Disclosure Certificate, if any, or any other successor entity designated in writing by the County and which has filed a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System, an internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062 of the SEC, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the

Bonds, and other filers on behalf of such issuers shall upload Continuing Disclosure information to assist participating underwriters, including the Underwriter, in complying with Rule 15c2-12 and to provide the general public with access to such Continuing Disclosure Information.

"Final Official Statement" means the final Official Statement of the County, dated November __, 2017 pertaining to the Bonds.

"Financial Statements" means the audited financial statements of the County for each Fiscal Year and includes balance sheets, statements of changes in fund balances and statements of current funds, revenues, expenditures and other charges or statements which convey similar information.

"Fiscal Year" means the fiscal year of the County. As of the date of this Disclosure Certificate, the Fiscal Year of the County begins on January 1 and closes on December 31 of each calendar year.

"GAAS" means generally accepted auditing standards as in effect from time to time, consistently applied.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to Rule 15c2-12. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at http://emma.msrb.org.

"Operating Data" means certain financial and statistical information of the County, which for purposes of this Disclosure Certificate shall include the general financial information and operating data of the County consistent with the information set forth in the Final Official Statement under the headings "TWENTY LARGEST TAXPAYERS", "COUNTY BUDGET", "TAX COLLECTIONS", "EQUALIZED VALUATIONS ON WHICH COUNTY TAXES ARE APPROPRIATED AND ANNUAL COUNTY TAX RATE", "COUNTY OF BURLINGTON, NEW JERSEY REAL PROPERTY CLASSIFICATION", "STATEMENT OF EQUALIZED VALUATIONS FOR CONSTITUENT MUNICIPALITIES", "COUNTY OF BURLINGTON, NEW JERSEY STATEMENT OF INDEBTEDNESS", "DEBT RATIOS AND VALUATIONS", "BORROWING CAPACITY", "SCHEDULE OF COUNTY DEBT SERVICE" and "STATEMENT OF DEBT OF CONSTITUENT MUNICIPALITIES".

"State" means the State of New Jersey.

Section 1.3 Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Disclosure Certificate. The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms as used in this Disclosure Certificate, refer to this Disclosure Certificate as a whole unless otherwise expressly stated.

As the context shall require, the disjunctive term "or" shall be interpreted conjunctively as required to insure that the County performs any obligations, mentioned in the passage in which such term appears.

The headings of this Disclosure Certificate are for convenience only and shall not defined or limit the provisions hereof.

ARTICLE II
CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1 Continuing Disclosure Covenants of the County. The County agrees that it will provide, or shall cause the Dissemination Agent (if the County has appointed or engaged a Dissemination Agent) to provide:

(a) Not later than two hundred seventy (270) days after the end of its Fiscal Year (currently December 31) for each Fiscal Year until termination of the County's reporting obligations under this Disclosure Certificate pursuant to the provisions of Section 4.8 hereof, the Annual Report to the MSRB prepared for the preceding Fiscal Year of the County (commencing for the fiscal year ending December 31, 2017). Each Annual Report so provided shall comply with the requirements of Section 2.3 of this Disclosure Certificate but may be submitted as a single document or as separate documents comprising a package and may cross-reference other information submitted to the MSRB. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on EMMA, or that has been filed with the MSRB;

(b) Not later than fifteen (15) days prior to the date of each year specified in subsection 2.1(a) of this Disclosure Certificate, a copy of the Annual Report to the Dissemination Agent, if the County has appointed or engaged a Dissemination Agent;

(c) If audited Financial Statements are not submitted as part of the filing as set forth in subsection 2.1(a) of this Disclosure Certificate, the County will submit unaudited financial statements with such filing, and will subsequently submit audited Financial Statements when and if available, to the MSRB;

(d) In a timely manner not in excess of ten (10) Business Days following the occurrence of any of the Disclosure Events (hereinafter defined), to the MSRB, notice of any of the following events with respect to the Bonds (each, a **"Disclosure Event"**);

(i) principal and interest delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) modifications to rights of Bondholders; if material;

(viii) Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the County;

(xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(e) In a timely manner, to the MSRB, notice of a failure by the County to provide the Annual Report within the period described in subsection 2.l(a) hereof.

Section 2.2 Continuing Disclosure Representations. The County represents and warrants that:

(a) Financial Statements shall be prepared according to principles prescribed by the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey pursuant to Chapter 5 of Title 40A of the New Jersey Statutes as in effect from time to time.

(b) Financial Statements prepared annually shall be audited in accordance with GAAS.

(c) Except as disclosed in the Final Official Statement, the County has not failed to comply in any material respect with any prior continuing disclosure undertaking made by the County in accordance with Rule 15c2-12.

Section 2.3 Form of Annual Report.

(a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items which must be included in the Annual Report may be incorporated by reference from other documents, including official statements of the County or related public entities which have been submitted to the MSRB or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so incorporated by reference.

(c) The audited Financial Statements of the County, if any, may be submitted separately from the balance of the Annual Report.

Section 2.4 Responsibilities, Duties, Immunities and Liabilities of the County or Dissemination Agent.

(a) If the County or the Dissemination Agent (if one has been appointed or engaged by the County) has determined it necessary to report the occurrence of a Disclosure Event, the County or Dissemination Agent (if one has been appointed or engaged by the County) shall file a notice of such occurrence with the MSRB (each, a **"Disclosure Event Notice"**) in the form provided by the County.

(b) The County or the Dissemination Agent (if one has been appointed or engaged by the County) shall file a written report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB

Section 2.5 Appointment, Removal and Resignation of the Dissemination Agent.

(a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carry out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the County shall be the Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, and employees harmless against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this subsection 2.5(b) shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days written notice to the County. Such resignation shall take effect on the date specified in such notice.

ARTICLE III
DISCLOSURE DEFAULT AND REMEDIES

Section 3.1 Disclosure Default. The occurrence and continuation of a failure or refusal by the County to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in this Disclosure Certificate and such failure or refusal shall remain uncured for a period of thirty (30) days shall constitute a Disclosure Default hereunder.

Section 3.2 Remedies on Default.

(a) Any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may take whatever action at law or in equity against the County and of the officers, agents and employees of the County which is necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the County under this Disclosure Certificate and may compel the County or any such officers, agents, or employees, except of the Dissemination Agent, to perform and carry out their duties under this Disclosure Certificate; provided, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case any Bondholder shall have proceeded to enforce its rights under this Disclosure Certificate and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to any Bondholder, then and in every such case the County and any Bondholder shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the County and any Bondholder shall continue as though no such proceeding had been taken.

(c) A default under this Disclosure Certificate shall not be deemed a default under the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure or refusal by the County to comply with this Disclosure Certificate shall be as set forth in subsection 3.2(a) of this Disclosure Certificate.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Purposes of This Continuing Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Bondholders and in order to assist the Underwriter in complying with clause (b)(5) of Rule 15c2-12. Except as disclosed in the Final Official Statement under the caption "CONTINUING DISCLOSURE" prepared by the County in connection with the offering of the Bonds, the County covenants that it has never failed to comply in any material respect with any previous undertakings to provide secondary market disclosure pursuant to Rule 15c2-12.

Section 4.2 Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from (a) disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or (b) including any other information in any Annual Report or any Disclosure Event Notice, in addition to that which is required by this Disclosure Certificate. If the County chooses to include information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or any future Disclosure Event Notice.

Section 4.3 Notices. All notices required to be given or authorized shall be in writing and shall be sent by registered or certified mail to the County, County Administration Building, 49 Rancocas Road, Mount Holly, New Jersey 08060, Attention: County Treasurer.

Section 4.4 Severability. If any provision of this Disclosure Certificate shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.5 Amendments, Changes and Modifications.

(a) Without the consent of any Bondholders, the County at any time and from time to time may enter into any amendments or modifications to this Disclosure Certificate for any of the following purposes:

(i) to add to covenants and agreements of the County hereunder for the benefit of the Bondholders, or to surrender any right or power conferred upon the County by this Disclosure Certificate;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County or to reflect changes in the identity, nature or status of the County or in the business, structure or operations of the County or any mergers, consolidations, acquisitions or dispositions made by or affecting the County; provided that any such modification shall comply with the requirements of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to include any other provisions with respect to matters or questions arising under this Disclosure Certificate which, in each case, comply with Rule 15c2-12 as then in effect at the time of such modification,

provided, that prior to approving any such amendment or modification, the County determines that such amendment or modifications does not adversely affect the interests of the Holders of the Bonds in any material respect.

(b) Upon entering into any amendment or modification required or permitted by this Disclosure Certificate, the County shall deliver, or cause the Dissemination Agent (if one has been appointed or engaged by the County) to deliver, to the MSRB written notice of any such amendment or modification.

(c) The County shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as expert in federal securities law acceptable to the County to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.5.

Section 4.6 Amendments Required by Rule 15c2-12. The County recognizes that the provisions of this Disclosure Certificate are intended to enable the Underwriter to comply with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof, a change in this Disclosure Certificate shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery by the Underwriter of an opinion of counsel nationally recognized as expert in federal securities law acceptable to the County to the effect that such amendment shall be permitted or necessary to assure continued compliance by the Underwriter with Rule 15c2-12, as so amended or interpreted, then the County shall amend this Disclosure Certificate to comply with and be bound by any such amendment to this Disclosure Certificate to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and provide the written notice to the MSRB of such amendment or modification as required by subsection 4.5(b) hereof.

Section 4.7 Governing Law. This Disclosure Certificate shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 4.8 Termination of County's Continuing Disclosure Obligations. The continuing obligation of the County under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of said Section 2.1 shall terminate if and when either (a) the Bonds are no longer outstanding or (b) the County no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10)) with respect to the Bonds in either event, only after the County delivers, or causes the Dissemination Agent (if one has been appointed or engaged by the County) to deliver, to the MSRB written notice to such effect. This Disclosure Certificate shall be in full force and effect from the date hereof and shall continue in effect so long as any Bonds are Outstanding.

Section 4.9 Binding Effect. This Disclosure Certificate shall inure to the benefit of and shall be binding upon the County and its successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, THE COUNTY OF BURLINGTON, NEW JERSEY has caused this Disclosure Certificate to be executed in its name and its corporate seal to be hereunto affixed, all as of the date first above written.

COUNTY OF BURLINGTON, NEW JERSEY

By:______________________________________
EDWARD J. TROY, Treasurer

[SEAL]

APPENDIX C

Form of Bond Counsel Opinion

PARKER McCAY

Parker McCay P.A.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054-5054

P: 856.596.8900
F: 856.596.9631
www.parkermccay.com

November __, 2017

Board of Chosen Freeholders of
the County of Burlington
49 Rancocas Road
Mount Holly, New Jersey

RE: $____________ COUNTY OF BURLINGTON, NEW JERSEY, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Refunding Bonds") by the County of Burlington, New Jersey ("County").

The Refunding Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) a refunding bond ordinance ("Refunding Bond Ordinance"), duly and finally adopted by the Board of Chosen Freeholders of the County ("Board") on October 11, 2017 and published in accordance with the requirements of the Local Bond Law; and (iii) a resolution duly adopted by the Board on October 11, 2017 ("Resolution").

The Refunding Bonds are being issued to provide funds which will be used to: : (i) advance refund and redeem all or a portion of the outstanding callable maturities of the County's General Improvement Bonds, Series 2009, maturing on July 15 in each of the years 2020 through 2025, inclusive; and (ii) pay the costs and expenses related to the issuance, sale and delivery of the Refunding Bonds.

The Refunding Bonds are dated their date of issuance, mature on July 15 in each of the years and in the respective principal amounts set opposite each such year in the table below and bear interest at the rates per annum below, payable initially on January 15, 2018 and semiannually thereafter on July 15 and January 15 in each year until maturity.

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate
2018	$	%	2023	$	%
2020			2024		
2021			2025		
2022					

The Refunding Bonds are issued in fully registered book-entry-only form without coupons, and are not subject to redemption prior to maturity.

As the basis for the opinion set forth below, we have examined such matters of law as we have deemed necessary including, inter alia, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Refunding Bond Ordinance, the Resolution, a certification of officials of the County having the responsibility for issuing the Refunding Bonds given pursuant to the Code ("Nonarbitrage Certificate") and the other certifications, instruments, documents and opinions listed in the closing agenda prepared in connection with the settlement of the Refunding Bonds.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, instruments and certifications examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

Based upon and subject to the foregoing, we are of the following opinion:

1. The Refunding Bonds are legal, valid and binding obligations of the County enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").

2. For the payment of principal of and interest on the Refunding Bonds, the County has the power and is obligated, to the extent payment is not otherwise provided, to levy ad valorem taxes upon all taxable real property within the County without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Refunding Bonds is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and is not a specific item of tax preference item under Section 57 of the Code for purposes of calculating the alternative minimum tax imposed on individuals and corporations pursuant to Section 55 of the Code.

The adjustment for "adjusted current earnings" set forth in Section 56(g) of the Code is required in determining a corporation's alternative minimum taxable income. Alternative minimum taxable income is increased by seventy-five percent (75%) of the excess, if any, of the "adjusted current earnings" of a corporation over the alternative minimum taxable income (determined without regard to this adjustment or the alternative tax net operating loss deduction).

Interest on tax-exempt obligations, including the Refunding Bonds, is not excludable in calculating certain corporation's "adjusted current earnings." Accordingly, a portion of the interest on the Refunding Bonds received or accrued by a corporation that owns the Refunding Bonds is included in computing such corporation's alternative minimum taxable income for such year.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Refunding Bonds received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Refunding Bonds, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the County that it will comply with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Refunding Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the County to comply with such covenants could result in the interest on the Refunding Bonds being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that may affect the tax-exempt status of the interest on the Refunding Bonds.

Ownership of the Refunding Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Refunding Bonds will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Refunding Bonds is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Refunding Bonds.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The County has not designated the Refunding Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the Refunding Bonds should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Refunding Bonds and any gain from the sale thereof is not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Refunding Bonds.

In providing the opinion expressed in paragraph 3 above, we have relied upon the written report provided by Bowman & Company LLP, Voorhees, New Jersey, certified public accountants, regarding the computation of the yield on the Refunding Bonds and certain investments made with the proceeds thereof.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

This letter is being provided solely for the benefit of the County and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,