

## COUNTY OF CAMDEN, NEW JERSEY

### NOTICE OF SALE OF \$35,461,125 BOND ANTICIPATION NOTES, SERIES 2018A

NOTICE IS HEREBY GIVEN that proposals (the “Proposal for Notes”) will be received electronically via the Parity Electronic Bid System (“PARITY®”) of i-Deal (“i-Deal”) in the manner described below under the heading “Procedures Regarding Electronic Bidding,” on Wednesday, October 10, 2018 (the “Bid Date”) until 11:00 a.m., New Jersey time, and then and there publicly opened and considered by the County of Camden, New Jersey (the “County”) for the purchase of all (but not less than all) of the County’s \$35,461,125 aggregate principal amount of Bond Anticipation Notes, Series 2018A dated October 24, 2018 and maturing on October 23, 2019 (the “Notes”).

Bidders are required to submit bids for the Notes in accordance with the terms of this Notice of Sale.

#### Payment of Interest; Redemption

The Notes will bear interest at the rate per annum specified by the successful bidder therefor in accordance herewith, payable at maturity. The Notes are not subject to redemption prior to maturity.

#### Book-Entry-Only

The Notes will be issued in the form of one fully registered note certificate, and when issued, will be registered in the name of Cede & Co., as the registered owner thereof and as nominee of The Depository Trust Company (“DTC”), which will act as security depository for the Notes. Individual purchases of beneficial ownership interests in the Notes may be made in book-entry form only on the records of DTC and DTC Participants and only in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof, except that such minimum amount of the Notes in excess of the largest principal amount thereof equaling a multiple of \$1,000 will be in the denomination required to issue the authorized principal amount of the Notes. It shall be the obligation of the successful bidder to furnish to DTC an underwriter’s questionnaire and the denominations of the Notes not less than seventy-two (72) hours prior to the delivery of the Notes.

In the event that either DTC determines not to continue to act as securities depository for the Notes or the County determines that it is in the best interest of the beneficial owners of the Notes that they be able to obtain note certificates, the County will appoint a paying agent and will issue and deliver replacement Notes in the form of fully registered certificates.

#### Bid Specifications

All bids must be submitted electronically via PARITY® pursuant to the procedures described below and shall be deemed to incorporate by reference all of the terms and conditions of this Notice of Sale. The submission of a bid electronically via PARITY® shall constitute and be deemed to be the bidder’s signature on the proposal for Notes.

## Basis of Award

Award of the Notes to the successful bidder or rejection of all proposals for Notes is expected to be made within two hours after opening of the proposals for Notes, but such successful bidder may not withdraw its proposal for Notes before 3:30 p.m. New Jersey time on the Bid Date and then only if such award has not been made prior to the withdrawal. The Notes will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Interest will be calculated on a 360 day year basis, consisting of twelve 30-day months. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Notes bid for (which shall be all of the Notes offered) the total interest cost to maturity in accordance with such bid and by deducting therefrom the amount of premium, if any, bid. No proposal shall be considered which offers to pay an amount less than the principal amount of Notes offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the County under any legally acceptable proposal. If two or more such bidders offer to pay the lowest net interest cost, then the Notes will be sold to one of such bidders selected by lot from among all such bidders. The bidder to which the Notes are awarded (in the manner specified above) is herein referred to as the “successful bidder.”

## Right to Reject Proposal for Notes; Waive Irregularities

The County reserves the right to reject any and all proposal for Notes, and except as set forth in the next sentence, any proposal for Notes not complying with the terms of this Notice of Sale will be rejected. The County reserves the right to (i) reject any or all proposals for Notes; (ii) so far as permitted by law, waive any irregularity or informality in any or all proposals for Notes; and (iii) generally take such action as it deems will best serve the public interest. The bidder, by submitting a bid, agrees to accept the determination of the Chief Financial Officer.

## Procedures Regarding Electronic Bidding

Bids must be submitted electronically via PARITY® in accordance with this Notice of Sale. Bids may be submitted until 11:00 a.m., New Jersey time on the Bid Date, but no bid will be accepted after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential bidders may contact the County’s financial advisor (using the contact information set forth in the final paragraph of this Notice of Sale) or PARITY® at (212) 849-5021. The County may, but is not obligated to, acknowledge its acceptance in writing of any bid submitted electronically via PARITY®.

All bidders further agree that:

1. The County may regard the electronic transmission of the bid through PARITY® (including information about the purchase price of the Notes, the interest rate or rates to be borne by the Notes, the premium bid for the Notes and any other information included in such transmission) as though the same information were executed by a duly authorized signatory of the bidder. For the bid which is submitted electronically via PARITY® and accepted by the County, the terms of this Notice of Sale, as well as the information that is electronically transmitted through PARITY®, shall form a contract, and the successful bidder shall be bound by the terms of such contract.

2. PARITY<sup>®</sup> is not an agent of the County, and the County shall have no liability whatsoever based on any bidder's use of PARITY<sup>®</sup>, including but not limited to any failure by PARITY<sup>®</sup> to correctly or timely transmit information provided by the County or information provided by the bidder.

3. The County may choose to discontinue use of electronic bidding via PARITY<sup>®</sup> by issuing a notification to such effect via Thomson News Service ("TM3"), or by other available means, no later than 3:00 p.m. (New Jersey time) on the last business date prior to the Bid Date.

4. Once the bids are communicated electronically via PARITY<sup>®</sup> to the County, as described above, each bid will constitute a proposal for Notes and shall be deemed to be an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale. For purposes of submitting a bid, the time as maintained on PARITY<sup>®</sup> shall constitute the official time.

5. Each bidder shall be solely responsible to make necessary arrangements to access PARITY<sup>®</sup> for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the County nor i-Deal shall have any duty or obligation to provide or assure access to any bidder, and neither the County nor i-Deal shall be responsible for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY<sup>®</sup>. The County is using PARITY<sup>®</sup> as a communication mechanism, and not as the County's agent, to conduct the electronic bidding for the Notes. By using PARITY<sup>®</sup>, each bidder agrees to hold the County harmless for any harm or damage caused to such bidder in connection with its use of PARITY<sup>®</sup> for bidding on the Notes.

#### Clarification Prior to the Opening of Bids

The County may, in its sole discretion and prior to the opening of bids, clarify any term hereof, including, without limitation, its decision to discontinue use of electronic bidding via PARITY<sup>®</sup>, by issuing a notification of the clarification via TM3, or any other available means, no later than 3:00 p.m. (New Jersey time) on the last business day prior to the Bid Date.

The County further reserves the right to postpone, from time to time, the Bid Date. Any such postponement will be announced by TM3, or any other available means, not later than 9:00 a.m., New Jersey time, on the Bid Date. Any such alternative Bid Date and the time at which bids are due will be announced via TM3, or any other available means, at least 48 hours before bids are due. On any such alternative Bid Date, bidders shall submit proposals for Notes in conformity with all of the requirements hereof, other than the date of submission and sale and any further or contrary provisions set forth in such announcement, which further or contrary provisions must be complied with by all bidders.

Establishment of Issue Price (10% Test to Apply if Competitive Sale Requirements are Not Satisfied)

1. The successful bidder shall assist the County in establishing the issue price of the Notes and shall execute and deliver to the County at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, as described below under “Documents to be Delivered at Closing.” All actions to be taken by the County under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the County by the County’s financial advisor identified herein and any notice or report to be provided to the County may be provided to the County’s financial advisor.

2. The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “competitive sale requirements”) because:

- (a) the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (b) all bidders shall have an equal opportunity to bid;
- (c) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (d) the County anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. By submitting a bid, bidders are deemed to have certified that they have an established industry reputation as a regular purchaser or underwriter of tax-exempt obligations such as the Notes.

3. In the event that the competitive sale requirements are not satisfied, the County shall so advise the successful bidder. The County shall treat the first price at which 10% of the Notes (the “10% test”) is sold to the public as the issue price of the Notes. The successful bidder shall advise the County if the Notes satisfy the 10% test as of the date and time of the award of the Notes. The County will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the public as of the sale date of the Notes as the issue price of the Notes if the competitive sale requirements are not satisfied. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Notes will be subject to the 10% test in order to establish the issue price of the Notes.

4. If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes, the successful bidder agrees to promptly report to the County the prices at which the unsold Notes have been sold to the public. This reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Notes.

5. By submitting a bid, each bidder confirms that: (a) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder that the 10% test has been satisfied as to the Notes, if and for so long as directed by the successful bidder and as set forth in the related pricing wires, and (b) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder or such underwriter that the 10% test has been satisfied as to the Notes, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

6. Sales of the Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (a) “public” means any person other than an underwriter or a related party,
- (b) “underwriter” means (i) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),
- (c) a purchaser of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the

corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (d) “sale date” means the date that the Notes are awarded by the County to the successful bidder.

### Delivery and Payment

It is expected that the Notes will be delivered on or about October 24, 2018 (the “Closing Date”) at the offices of DTC in Jersey City, New Jersey and that payment for the Notes will take place at the offices of McCarter & English, LLP, Bond Counsel to the County (“Bond Counsel”), in Newark, New Jersey. The successful bidder must be prepared to take delivery of the Notes on the Closing Date and simultaneously pay the purchase price thereof IN IMMEDIATELY AVAILABLE FEDERAL FUNDS by 9:30 a.m. (New Jersey time) on the Closing Date.

### Documents to be Delivered at Closing

The successful bidder shall be obligated to furnish to the County within forty-eight (48) hours prior to the Closing Date a certificate (the “Issue Price Certificate”), substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the County and Bond Counsel. In the event that the Notes shall be held by the successful bidder for investment and not be offered for resale to the public, the successful bidder shall specify on such Issue Price Certificate the purchase price being paid by the successful bidder to the County, which purchase price shall be at least equal to the fair market value price of the Notes.

The obligation hereunder to deliver and to accept the Notes will also be conditioned on the availability and delivery on the Closing Date of the approving opinion of the law firm of McCarter & English, LLP, Newark, New Jersey, which will be furnished without cost to the successful bidder of the Notes, substantially in the form set forth in the Official Statement distributed in preliminary form in connection with the sale of the Notes. Such opinion shall state to the effect that the Notes are valid and legally binding obligations of the County, and that all taxable property within the jurisdiction of the County is subject to the levy of ad valorem taxes, without limitation as to rate or amount, to pay the Notes and the interest thereon; and will also state that under existing law, interest on the Notes is not includable in gross income for purposes of Federal income taxation. The obligations hereunder to deliver and accept the Notes shall be further conditioned on the availability and delivery on the Closing Date of (a) certificates in form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Notes and receipt of payment therefor and setting forth the facts necessary to conclude that the interest on the Notes will be excluded from gross income under Section 103 of the Code; (b) a certificate, in form and tenor satisfactory to Bond Counsel and dated as of the date of such delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Notes; (c) a certificate signed by the County relating to completeness and accuracy of the Preliminary Official Statement and the final Official Statement; and (d) a Continuing Disclosure Certificate satisfying the requirements of Rule 15c2-12 (as hereinafter defined) and the undertaking of the County with respect thereto.

## Preliminary and Final Official Statement

The County has issued an official statement with respect to the sale of the Notes in preliminary form (the “Preliminary Official Statement”). The County, by accepting the proposal for Notes submitted by the successful bidder, (a) certifies to the successful bidder as of the date of acceptance of such proposal for Notes, that the Preliminary Official Statement furnished prior to the date of such acceptance has been “deemed final” as of its date by the County within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”), except for certain omissions permitted thereunder and except for changes permitted by other applicable law; and (b) agrees to provide the successful bidder, in order to permit the successful bidder to comply with Rule 15c2-12, with up to 50 copies in total of the final Official Statement within seven (7) business days after the date of acceptance by the County of such proposal for Notes at the sole cost and expense of the County, with any additional copies that the successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder. The successful bidder, by executing its proposal for Notes, agrees to provide two copies of the final Official Statement (with any required forms) to the Electronic Municipal Market Access (“EMMA”) System of the Municipal Securities Rulemaking Board (the “MSRB”) or its designee pursuant to MSRB Rule G-32 no later than ten (10) business days following the date of acceptance of its proposal for Notes, and to notify the County of (i) the date which is the “end of the underwriting period” within the meaning of Rule 15c2-12 and (ii) the date(s) on which copies of the final Official Statement are filed with EMMA. The successful bidder, by such execution, further agrees that the Closing Date shall be the date of the “end of the underwriting period” for the Notes within the meaning of Rule 15c2-12.

## Insurance

If the Notes qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of a bidder, any purchase of such insurance or commitment therefore shall be at the sole option and expense of the bidder and any increased cost of issuance of the Notes resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder. Any failure of the Notes to be so insured or of any such policy of insurance to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its proposal for Notes. In the event such a policy of municipal bond insurance is obtained, the successful bidder shall, simultaneously with its delivery of the Issue Price Certificate, furnish to the County a certificate, in form and substance satisfactory to Bond Counsel, containing such information as shall be required, in the opinion of Bond Counsel, to establish that such municipal bond insurance policy constitutes a “qualified guarantee” (as defined in Section 1.148-4(f) of the Treasury Regulations), the premium for which may be taken into account in determining the yield on the Notes for purposes of Section 148 of the Code.

### CUSIP Identification Numbers

It is anticipated that CUSIP Identification Numbers will be printed on the Notes. It is anticipated that CUSIP Identification Numbers will be printed on the Notes. Acacia Financial Group, Inc., municipal advisor to the County, will timely apply for CUSIP Identification Numbers with respect to the Notes as required by MSRB Rule G-34. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the successful bidder. The successful bidder will be responsible for notifying CUSIP Global Services of any changes in structure and shall add or cancel CUSIP numbers as needed to conform to the final structure. The County will assume no obligation for the assignment or printing of such numbers on the Notes or for the correctness of such numbers, and neither the failure to print such numbers on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and make payment for the Notes.

### Additional Information

Copies of the Preliminary Official Statement and the Notice of Sale may be obtained by contacting the Chief Financial Officer at (856) 225-5386 or the County's Financial Advisor, Acacia Financial Group, Inc. at (856) 234-2266.

The County of Camden, New Jersey

Dated: October 3, 2018

By: David McPeak  
Chief Financial Officer



Exhibit A  
Form of Issue Price Certificate

**\$35,461,125**  
**BOND ANTICIPATION NOTES, SERIES 2018A**  
**ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ([“Name of Underwriter”])[the “Representative”], on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) by the County of Camden, New Jersey (the “Issuer”).

*[Alternative 1 – Three bids received]*

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering price of the Notes to the Public by the [Name of Underwriter][Representative] is the price listed in Schedule A (the “Expected Offering Price”). The Expected Offering Price is the price for the Notes used by the [Name of Underwriter][Representative] in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by [Name of Underwriter][Representative] to purchase the Notes.

(b) The [Name of Underwriter][Representative] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the [Name of Underwriter][Representative] constituted a firm offer to purchase the Notes.

*[Alternative 2 – 10% actual sales]*

1. ***Sale of the Notes.*** As of the date of this certificate, the first price at which at least 10% of the Notes was sold to the Public is the price listed in Schedule A.

2. ***Defined Terms.***

(a) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a

retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [Name of Underwriter][’s][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by McCarter & English, LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

[Signature Page Follows]

[NAME OF  
UNDERWRITER][REPRESENTATIVE]

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Dated: [ISSUE DATE]

**SCHEDULE A**  
**EXPECTED OFFERING PRICE**

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**

**NEW ISSUE  
(Book-Entry Only)**

**RATINGS: See "Ratings" herein**

*In the opinion of McCarter & English, LLP, Bond Counsel to the County, assuming compliance by the County with certain tax covenants described herein, under existing law, interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code") and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax. Such interest is included in adjusted current earnings of corporations for purposes of the alternative minimum tax applicable to taxable years beginning before January 1, 2018. Under existing law, interest on the Notes and net gains from the sale of the Notes are exempt from the tax imposed by the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.*

**\$35,461,125\***  
**COUNTY OF CAMDEN, NEW JERSEY**  
**BOND ANTICIPATION NOTES, SERIES 2018A**

Interest Rate: \_\_\_\_\_ %  
Yield: \_\_\_\_\_ %  
CUSIP No.<sup>(1)</sup>: \_\_\_\_\_

**Dated: Date of Delivery**

**Due: October 23, 2019**

The \$35,461,125\* Bond Anticipation Notes, Series 2018A (the "Notes") of the County of Camden, New Jersey (the "County") shall be issued in fully registered form in the denominations of \$5,000 each or any integral multiple of \$1,000 in excess thereof or in such amount necessary to issue the principal amount of Notes. The Notes when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") which will act as securities depository for the Notes. The certificate will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or transfers of interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof or in such amount necessary to issue the principal amount of Notes through book-entries made on the books and the records of DTC and its participants. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes. See "THE NOTES – Book-Entry-Only System" herein. The principal of and interest on the Notes shall be paid at maturity. The Notes *are not* subject to redemption prior to maturity.

The Notes are valid and legally binding obligations of the County and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable property within the jurisdiction of the County for the payment of the Notes and the interest thereon without limitation as to rate or amount.

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

The Notes are offered for sale upon the terms of the Notice of Sale and subject to the approval of legality by the law firm of McCarter & English, LLP, Newark, New Jersey, Bond Counsel to the County. Certain legal matters will be passed upon for the County by Christopher A. Orlando, Esquire, County Counsel. Acacia Financial Group, Inc., Mount Laurel, New Jersey has acted as financial advisor to the County in connection with the issuance of the Notes. The Notes, in definitive form, will be available for delivery on or about October 24, 2018.

**BID PROPOSALS WILL BE ACCEPTED ONLY BY ELECTRONIC SUBMISSION  
VIA PARITY ELECTRONIC BID SYSTEM OF I-DEAL LLC  
ON WEDNESDAY, OCTOBER 10, 2018 UNTIL 11:00 A.M  
FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY,  
REFER TO THE ENCLOSED NOTICE OF SALE**

\* Preliminary, subject to change.

<sup>(1)</sup> CUSIP is a registered trademark of the American Bankers Association ("ABA"). CUSIP numbers are provided by CUSIP Global Service, managed by S&P Global Market Intelligence on behalf of ABA and are being provided solely for the convenience of Noteholders only at the time of issuance of the Notes and the County does not make any representations 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 specified maturity is subject to being changed after the issuance of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the 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 Notes.

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 Notes 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.

**COUNTY OF CAMDEN, NEW JERSEY**  
Courthouse  
520 Market Street  
Camden, New Jersey 08102

**BOARD OF CHOSEN FREEHOLDERS**

Louis Cappelli, Jr. .... Director  
Edward T. McDonnell ..... Deputy Director  
Susan Shin Angulo..... Freeholder  
William F. Moen, Jr. .... Freeholder  
Jeffrey L. Nash..... Freeholder  
Carmen Rodriguez ..... Freeholder  
Jonathan L. Young, Sr. .... Freeholder

**CLERK OF THE BOARD OF CHOSEN FREEHOLDERS**

Karyn Gilmore

**COUNTY ADMINISTRATIVE OFFICERS**

Ross Angilella ..... Administrator  
David McPeak ..... Chief Financial Officer  
Christopher A. Orlando, Esquire ..... County Counsel

**COUNTY BOND COUNSEL**

McCarter & English, LLP  
Newark, New Jersey

**FINANCIAL ADVISOR**

Acacia Financial Group, Inc.  
Mount Laurel, New Jersey

No broker, dealer, salesperson or other person has been authorized by the County to give any information or to make any representations with respect to the Notes 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 County. Certain information contained herein has been obtained from sources other than the County that are believed to be reliable; but such sources are not guaranteed as to accuracy or completeness by the County. Such information is not to be construed as a representation of the County. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references thereto 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.

This 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 Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

The presentation of information in this Official Statement is intended to show recent historic information and, except as expressly stated otherwise, it is not intended to indicate future or continuing trends in the financial condition or other affairs of the County. No representation is made that past experience, as is shown by the financial and other information, will necessarily continue or be repeated in the future.

This Official Statement is not to be construed as a contract or an agreement between the County and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as a representations of fact. The information, estimates and expressions of opinion herein are subject to change without notice. The delivery of this Official Statement and any sale of the Notes made hereunder shall not, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof. This Official Statement is submitted in connection with the sale of the Notes referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

McCarter & English, LLP has not verified the accuracy, completeness or fairness of the information contained herein, except under the heading "TAX MATTERS" and accordingly, assumes no responsibility therefore and will express no opinion with respect thereto.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE. THE UNDERWRITER MAY OFFER AND SELL THE NOTES TO CERTAIN DEALERS AT A PRICE LOWER THAN THE PUBLIC OFFERING PRICE OR AT YIELD HIGHER THAN THE YIELD STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE OR YIELD MAY BE CHANGED FROM TIME TO TIME.

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



## TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION .....	1
PURPOSE OF THE ISSUE .....	1
AUTHORIZATION FOR THE NOTES .....	1
THE NOTES .....	1
General .....	1
Book-Entry-Only System .....	2
Discontinuance of Book-Entry-Only System .....	5
Security for the Notes .....	5
Other Financings .....	5
CERTAIN PROVISIONS OF THE LAWS OF NEW JERSEY RELATING TO COUNTY FINANCIAL OPERATIONS .....	6
Annual Audit ( <i>N.J.S.A. 40A:5-4</i> ) .....	6
Annual Financial Statement ( <i>N.J.S.A. 40A:5-12</i> ) .....	6
Local Budget Law ( <i>N.J.S.A. 40A:4-1 et seq.</i> ) .....	6
Revenue .....	7
Cap Law ( <i>N.J.S.A. 40A:4-45.4</i> ) .....	7
Miscellaneous Revenues ( <i>N.J.S.A. 40A:4-26</i> ) .....	8
Real Estate Taxes .....	8
Deferral of Current Expenses .....	9
Budget Transfers ( <i>N.J.S.A. 40A:4-58</i> ) .....	9
Capital Budget ( <i>N.J.S.A. 40A:4-43 through 40A:4-45</i> ) .....	9
LIMITATION OF REMEDIES UNDER FEDERAL BANKRUPTCY CODE .....	9
COUNTY INDEBTEDNESS .....	10
Local Bond Law ( <i>N.J.S.A. 40A:2-1 et seq.</i> ) .....	10
Debt Limitation ( <i>N.J.S.A. 40A:2-6</i> ) .....	10
Exceptions to Debt Limit-Extensions of Credit ( <i>N.J.S.A. 40A:2-7</i> ) .....	10
Short Term Financing ( <i>N.J.S.A. 40A:2-8</i> ) .....	10
The Municipal Finance Commission ( <i>N.J.S.A. 52:27-1 et seq.</i> ) .....	11
TAX MATTERS .....	11
Exclusion of Interest on the Notes From Gross Income for Federal Tax Purposes .....	11
Additional Federal Income Tax Consequences .....	12
State Taxation .....	12
Changes in Tax Law .....	13
LITIGATION .....	13
RATINGS .....	13
FINANCIAL ADVISOR .....	13
PREPARATION OF OFFICIAL STATEMENT .....	14
APPROVAL OF OFFICIAL STATEMENT .....	14
UNDERWRITING .....	14
LEGALITY FOR INVESTMENT .....	15
NO DEFAULT .....	15
CONTINUING DISCLOSURE .....	15
LEGAL MATTERS .....	16
ADDITIONAL INFORMATION .....	16
APPENDIX A -- CERTAIN INFORMATION CONCERNING THE COUNTY	
APPENDIX B -- AUDITED FINANCIAL STATEMENTS OF THE COUNTY	
APPENDIX C -- FORM OF BOND COUNSEL OPINION	
APPENDIX D -- FORM OF CONTINUING DISCLOSURE CERTIFICATE	

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**OFFICIAL STATEMENT**

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**\$35,461,125\***

**COUNTY OF CAMDEN, NEW JERSEY  
BOND ANTICIPATION NOTES, SERIES 2018A**

**INTRODUCTION**

This Official Statement, including the cover page and Appendices hereto, has been prepared to provide information with respect to the \$35,461,125\* principal amount of County of Camden, New Jersey Bond Anticipation Notes, Series 2018A (“Notes”) offered pursuant to the Local Bond Law of the State of New Jersey (“State”), constituting Chapter 169 of the Laws of the State (*N.J.S.A. 40A:2-1 et seq.*), as amended and supplemented (“Local Bond Law”), the Bond Ordinance and the Resolution of the County described below.

**PURPOSE OF THE ISSUE**

The Notes are being issued by the County of Camden, New Jersey (“County”) to provide funds which will be used to: (i) temporarily refinance the repayment at maturity of the principal of certain bond anticipation notes heretofore issued by the County for the repair and/or replacement of certain County infrastructure projects in accordance with the provisions of N.J.S.A. 40:14B-40.2, including all necessary materials, improvements, appurtenances, equipment, furniture and site work related thereto; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

**AUTHORIZATION FOR THE NOTES**

The County is authorized to issue the Notes pursuant to: (i) the Local Bond Law; (ii) a bond ordinance which has been duly and finally adopted by the Board of Chosen Freeholders of the County (the “Board”) on January 21, 2016 and published in accordance with the requirements of the Local Bond Law (the “Bond Ordinance”); and (iii) a resolution duly adopted by the Board on September 17, 2018 (the “Resolution”).

**THE NOTES**

**General**

The Notes will be issued in the aggregate principal amount of \$35,461,125\*. The Notes will be dated the date of delivery and bear interest at the rate of \_\_\_ hundredths per centum (\_\_\_%) per annum, calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year. Individual purchases may be made in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof or in such amount necessary to issue the principal amount of Notes through book-entries made on the books and the records of DTC (as hereinafter defined) and its participants. See “THE NOTES — Book-Entry-Only System” below. The Notes will be

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\* Preliminary, subject to change.

dated October 24, 2018 and will mature on October 23, 2019. Payment of principal and interest on the Notes will be paid at maturity.

The Notes are *not* subject to redemption prior to maturity.

So long as The Depository Trust Company (“DTC”) or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the participants of DTC (“Direct Participants”) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the Notes is the responsibility of the Direct Participants and Indirect Participants (as hereinafter defined) and not the County.

### **Book-Entry-Only System<sup>1</sup>**

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interest in the Notes, payment of principal and interest and other payments on the Notes to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial interests in the Notes and other related transactions by and among DTC, Direct Participants and Beneficial Owners, is based on certain information furnished by DTC to the County. Accordingly, no representations can be made concerning these matters and neither the Direct Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not construed as a representation of, the County.

DTC will act as securities depository for the Notes. The Notes will be issued as fully registered securities registered in 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 Note certificate will be issued for the Notes, in the aggregate principal amount of the Notes, 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, as amended. 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

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<sup>1</sup> Source: The Depository Trust Company.

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 and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of the Notes (“Beneficial Owner”) is in turn to be recorded on the Direct Participants’ 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 Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts the Notes are credited, which may or may not be the Beneficial Owners. The Direct Participants 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.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC’s procedures. Under its usual procedures, DTC mails an omnibus proxy to the County as soon as possible after the record date. The omnibus proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the omnibus proxy).

Redemption proceeds, if any, and principal and interest payments on the Notes 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 County on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect 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 Direct Participant or Indirect Participant and not of DTC, its nominee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, if any, and principal and interest with respect to the Notes to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County; 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 Participants and Indirect Participants. THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO THE DIRECT PARTICIPANTS OR THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES; (I) PAYMENTS OF PRINCIPAL, REDEMPTION PRICE, IF ANY, OR INTEREST ON THE NOTES; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE NOTES; OR (III) REDEMPTION, IF ANY, OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE NOTES UNDER OR THROUGH DTC OR ANY DIRECT PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN IN THE REGISTRATION BOOKS OF THE COUNTY AS BEING A NOTEHOLDER. THE COUNTY SHALL HAVE NO RESPONSIBILITY WITH RESPECT TO: (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT WITH REPECT TO ANY OWNERSHIP INTEREST IN THE NOTES; (II) THE PAYMENT OF ANY AMOUNT DUE BY DTC TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL, REDEMPTION PRICE, IF ANY, OR INTEREST ON THE NOTES; (III) THE DELIVERY TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OF ANY REDEMPTION, IF ANY, OR OTHER NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO NOTEHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS THE REGISTERED OWNER.

For every transfer and exchange of Notes, Owners requesting such transfer or exchange may be charged a sum sufficient to cover any tax, governmental charge or transfer fees that may be imposed in relation thereto, which charge may include transfer fees imposed by the County, DTC, the Direct Participant or the Indirect Participant in connection with such transfers or exchanges.

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

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

### **Discontinuance of Book-Entry-Only System**

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor securities depository is not obtained, Note certificates are required to be printed and delivered.

If the County would like to discontinue the use of the system of book-entry transfers of the Notes issued by it through DTC (or a successor securities depository), the County shall make such request of DTC (or a successor securities depository). Upon receipt of any such withdrawal request, (i) DTC will issue an Important Notice notifying its Direct Participants of the receipt of a withdrawal request from the County reminding Direct Participants that they may utilize DTC's withdrawal procedures if they wish to withdraw their securities from DTC and (ii) DTC will process withdrawal requests submitted by Direct Participants in the ordinary course of business, but will not effectuate withdrawals based upon a request from the County.

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Notes, the following provisions would apply: (i) the Notes may be exchanged for an equal aggregate principal amount of Notes in other authorized denominations, upon surrender thereof at the principal corporate trust office of the County; (ii) the transfer of any Notes may be registered on the books maintained by the County for such purpose only upon the surrender thereof to the County together with the duly executed assignment in form satisfactory to the County; and (iii) for every exchange or registration of transfer of Notes, the County 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 of the Notes. The Notes will be payable by check or draft mailed to the registered owners thereof.

### **Security for the Notes**

The full faith and credit of the County are irrevocably pledged for the payment of the principal of and interest on the Notes. The Notes will be valid and legally binding direct general obligations of the County. The County is authorized and required by law to levy *ad valorem* taxes upon all the taxable property within the jurisdiction of the County for the payment of the principal of interest on the Notes without limitation as to rate or amount. See "COUNTY INDEBTEDNESS" herein.

## **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 ("Division") in the State Department of Community Affairs ("Director") prior to June 1 of each year unless extensions are granted.

The State Board of Certified Public Accountants regulates the Registered Municipal Accountant who must obtain a bi-annual license.

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

An Annual Financial Statement for the fiscal year must be filed with the Director on or before January 26 of the succeeding year. The Financial Statement is prepared by the chief financial officer of 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 either 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.*)**

The foundation of the State's local finance system is the annual cash basis budget. Every local unit must adopt an annual operating budget in the form required by the Division. Certain items of revenue and appropriation are regulated by law and the proposed operating budget must be certified as approved by the Director prior to final adoption of the budget by the local unit. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations. Among other restrictions, the Director must examine the budget with reference to all estimates of revenue and the following appropriations: (a) payment of interest and debt redemption charges, (b) deferred charges and statutory expenditures, (c) cash deficit of preceding year, (d) reserve for uncollected taxes, and (e) other reserves and nondisbursement items. Taxes levied are a product of total appropriations less nontax revenues plus a reserve predicated on the prior year's collection experience. Anticipated nontax revenues are limited to the amount actually realized during the previous year unless the Director certifies a higher figure. The Director is empowered to permit a higher level of anticipation, however, there should be sufficient statutory or other evidence to substantiate that such anticipation is reasonable.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions, focusing on anticipated revenues, serve to protect the

solvency of all local units. Local budgets, by law and regulation, must be in balance on a “cash basis,” i.e., the total of anticipated revenues must equal the total appropriations (N.J.S.A. 40A:4-22).

In accordance with the Local Budget Law and related regulations, each local unit must adopt and annually revise a six-year capital program. The capital program, when adopted, does not constitute the appropriation of funds, but sets forth a plan of capital expenditures which the local unit may contemplate over the six year period. Expenditures for capital purposes may be made either by ordinances adopted by the governing body which set forth the items and the methods of financing, or from the annual operating budget.

The Local Budget Law also permits the issuance of tax anticipation notes which are limited in amount by such law and must mature within 120 days of the close of the fiscal year (six months in the case of counties).

## **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 to the County 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)**

The Cap Law imposed restrictions which limit the allowable increase on county taxes over the previous year’s taxes to the lesser of two and one-half percent, or the rate of the annual percentage increase in the Implicit Price Deflator for State and Local Government purchases of goods and services, as published by the United States Department of Commerce (“Cost of Living Adjustment”). Exceptions to the limitations imposed by the Cap Law exist for, among other things, the payment of debt service; capital expenditures; extraordinary expenses approved by the Local Finance Board in the Division (“Local Finance Board”) required for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by court order or Federal or State law.

Additional legislation constituting P.L. 2007, c.62, became effective on April 3, 2007, which, among other things, imposed a four percent (4%) 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. The exclusions from the four percent (4%) tax levy cap include: (i) increases required to be raised for debt service and certain lease payments to county improvement authorities; (ii) increases to replace certain State aid due to a reduction in State aid from the previous budget year; (iii) increases in certain pension contributions; (iv) for municipalities, any increase, greater than four percent (4%), in the reserve for uncollected taxes that is required by law; and (v) certain increases in health care costs in excess of four percent (4%).



Additionally, legislation constituting P.L. 2010, c.44, effective July 13, 2010, reduced the four percent (4%) cap on the tax of a municipality, county and school district to two percent (2%), with certain exceptions, including increases required to be raised for debt service, for pension contributions and accrued liability for pension contributions in excess of two percent (2%), for 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 two percent (2%) of the total health care costs in the prior year, subject to certain other limitations, and extraordinary costs incurred by a local unit directly related to a declared emergency. The voters may approve increases over two percent (2%) not otherwise permitted by a vote of a majority of the voters voting on a public question.

Neither of the tax levy limitations nor the “Cap Law” limits the obligation of the County to levy *ad valorem* taxes upon all taxable 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. The fiscal years of such grants rarely coincide with a county’s calendar fiscal year. Grant revenues are fully realized in the year in which they are budgeted by the establishment of accounts receivable and offsetting reserves.

### **Real Estate Taxes**

The same general principle 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.

However with minor exceptions, 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 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.

## **LIMITATION OF REMEDIES UNDER FEDERAL BANKRUPTCY CODE**

The undertakings of the County should be considered with reference to Chapter 9 of the United States Bankruptcy Code, 11 U.S.C. Sections 901 to 946 ("Bankruptcy Code"). Under Chapter 9 of the Bankruptcy Code, a municipality, a political subdivision, a public agency or an instrumentality of the State that is insolvent or unable to meet its debts may file a petition in a United States Bankruptcy Court ("Bankruptcy Court") to adjust its debts. Chapter 9 of the Bankruptcy Code does not permit such entity to liquidate its assets and distribute the proceeds of its assets to its creditors. Chapter 9 of the Bankruptcy Code permits a financially distressed public entity to seek protection from its creditors by staying the commencement or continuation of certain actions against such public entity while it formulates and negotiates a plan for adjustment of its debts which can be binding on a dissenting minority of creditors if it is acceptable to the majority of creditors. Should the County file a petition in the Bankruptcy Court under Chapter 9 of the Bankruptcy Code prior to the payment in full of the principal of and interest on the Notes, the holders of the Notes would be considered creditors and would be bound by the County's plan of adjustment of its debt.

Reference should also be made to N.J.S.A. 52:27-40 *et seq.* which provides that "any political subdivision" of the State as defined therein has the power to file a petition with the Bankruptcy Court under Chapter 9 of the Bankruptcy Code provided the "political subdivision" has obtained approval of the Local Finance Board. Section 903 of the Bankruptcy Code, 11 U.S.C. Section 903, specifically provides that Chapter 9 of the Bankruptcy Code does not limit or impair the power of a state to control,

by legislation or otherwise, a municipality of or in such state in the exercise of the political or governmental powers of such municipality; provided, however, that a state law prescribing a method of composition of indebtedness of the municipality may not bind any creditor that does not consent to such composition and that a judgment entered under such state law may not bind a creditor that does not consent to such composition.

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 Local Finance Board, or that any proposed plan would include a dilution of the source of payment of and security for the Notes.

## **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 a 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 net authorized bond indebtedness of a county is limited by statute, subject to the exceptions as noted below, to an amount equal to two percent (2%) of its stated equalized valuation basis. The stated equalized valuation basis of a county is set by statute as the average for the last three 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 State Board of Taxation. The County is within its two percent (2%) debt limit.

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

The debt limit of a county may be exceeded with the approval of the Local Finance Board. If all or any part of a proposed debt authorization would exceed its debt limit, a 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 a 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*)**

A county may issue bond anticipation notes to temporarily finance capital improvements. Bond anticipation notes, which are full faith and credit obligations, 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 (the “Commission”) was created in 1931 to assist in the financial rehabilitation of counties and 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 local unit in the State’s Superior Court. Any local unit may declare itself unable to meet its obligations and bring action in such court. In either case, the court’s determination that the local unit is in default or unable to meet its obligations causes the Commission to become operative in that local unit.

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 local unit and to serve as comptroller for that local unit. The Commission is also directed to supervise tax collections and assessments, to approve the funding of school district indebtedness, the adjustment or composition of the claims of creditors and the readjustment of debts.

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.

## **TAX MATTERS**

### **Exclusion of Interest on the Notes From Gross Income for Federal Tax Purposes**

The Internal Revenue Code of 1986, as amended (“Code”) imposes certain requirements that must be met on the date of issuance of the Notes and on a continuing basis subsequent to the issuance of the Notes in order to assure that interest on the Notes will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the County to comply with the requirements of the Code may cause interest on the Notes to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Notes. The County will make certain representations in its Tax Certificate, which will be executed on the date of issuance of the Notes, as to various tax requirements. The County has covenanted to comply with the provisions of the Code applicable to the Notes and has covenanted not to take any action or permit any action to be taken that would cause the interest on the Notes to be included in gross income under Section 103 of the Code or cause interest on the Notes to be an item of tax preference under Section 57 of the Code. McCarter & English, LLP, Bond Counsel to the County, has relied upon the representations made in the Tax Certificate and has assumed continuing compliance by the County with the above covenants

in rendering its federal income tax opinions with respect to the exclusion of interest on the Notes from gross income for federal income tax purposes and with respect to the treatment of interest on the Notes for the purposes of alternative minimum tax.

Assuming the County observes its covenants with respect to compliance with the Code, McCarter & English, LLP, Bond Counsel to the County, is of the opinion that, under existing law, interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax.

### **Additional Federal Income Tax Consequences**

In the case of certain corporate holders of the Notes, interest on the Notes will be included in adjusted current earnings for purposes of the alternative minimum tax applicable to taxable years beginning before January 1, 2018.

Prospective purchasers of the Notes should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Notes, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Notes should also consult their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinions with regard to the exclusion of interest on the Notes from gross income pursuant to Section 103 of the Code and interest on the Notes not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Notes should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Notes.

The Internal Revenue Service (“Service”) has an ongoing program of auditing state and local government obligations, which may include randomly selecting bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Notes will be audited. If an audit is commenced, under current Service procedures the holders of the Notes may not be permitted to participate in the audit process, and the value and liquidity of the Notes may be adversely affected.

### **State Taxation**

Bond Counsel to the County is of the opinion that, based upon existing law, interest on the Notes and net gains from the sale of the Notes are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

## **Changes in Tax Law**

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Notes, gain from the sale or other disposition of the Notes, the market value of the Notes, or the marketability of the Notes, or otherwise prevent the owners of the Notes from realizing the full current benefit of the exclusion from gross income of the interest thereon. Prospective purchasers of the Notes should consult their own tax advisers regarding such matters.

## **LITIGATION**

Various claims of a routine nature have been asserted against the County. Except as described in Appendix A, the Board and the County Counsel believe that such claims will not have a material adverse effect on the financial condition of the County.

Upon delivery of the Notes, the County shall furnish an opinion of the County Counsel, dated the date of delivery of the Notes, to the effect that there is no litigation of any nature pending or, to the knowledge of the County Counsel, threatened to restrain or enjoin the issuance, sale, execution or delivery of the Notes, or in any way contesting or affecting the validity of the Notes or any of the proceedings taken with respect to the issuance and sale thereof or the application of moneys to the payment of the Notes. In addition, such opinion shall state that there is no litigation of any nature now pending or, to the knowledge of the County Counsel, threatened by or against the County wherein an adverse judgment or ruling could have a material 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 notes, which has not been disclosed in this Official Statement.

## **RATINGS**

Moody's Investors Service ("Moody's") and S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("S&P" and together with Moody's, the "Rating Agencies"), have assigned their municipal note ratings of "MIG 1" and "SP-1+" to the Notes.

The ratings express only the views of each Rating Agency and an explanation of the significance of such note 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. The County furnished to each Rating Agency certain information and materials concerning the Notes and the County. Such ratings express only the views of the respective Rating Agency. There is no assurance that the ratings will continue for any period of time or that the ratings will not be revised or withdrawn entirely if, in the Rating Agency's 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 Notes.

## **FINANCIAL ADVISOR**

Acacia Financial Group, Inc., Mount Laurel, New Jersey, has served as financial advisor (the "Financial Advisor") to the County with respect to the issuance of the Notes. Information set forth in

this Official Statement has been obtained from the County and other sources which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized. The Financial Advisor is a financial advisor and consulting organization and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiable instruments.

### **PREPARATION OF OFFICIAL STATEMENT**

This Official Statement has been prepared under the auspices of the County. Except for statistical and certain financial information contained herein, information under the caption “DESCRIPTION OF THE NOTES – Book-Entry-Only System” and information contained in Appendix A which has been obtained from sources which the County considers to be reliable but for which the County makes no warranty, guaranty or other representations with respect to the accuracy or completeness of such information, the descriptions and statements herein are true and correct in all material respects as of the date hereof.

McCarter & English, LLP has not verified the accuracy, completeness or fairness of the information contained herein, except under the heading “TAX MATTERS” and accordingly, assumes no responsibility therefore and will express no opinion with respect thereto.

Bowman & Company LLP takes responsibility for the audited financial statements contained in Appendix “B” to the extent specified in their Accountant’s Report.

### **APPROVAL OF OFFICIAL STATEMENT**

The Board has adopted the Resolution authorizing the Chief Financial Officer of the County to approve this Official Statement and deliver copies hereof to the Underwriter (as defined herein) for its use in the sale, resale or distribution of the Notes.

Upon request of the Underwriter, officials of the County will confirm to the Underwriter that the descriptions and statements contained in this Official Statement in final form are, to the best knowledge of said officials, correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

### **UNDERWRITING**

The Notes have been purchased from the County at a public sale by \_\_\_\_\_ (“Underwriter”). The Underwriter has purchased the Notes in accordance with the Notice of Sale for the Notes at a purchase price of \_\_\_\_\_. The Notes are being reoffered to the public at a price of \$\_\_\_\_\_, which amount reflects the Purchase Price plus Underwriter’s compensation of \$\_\_\_\_\_. The Underwriter is obligated to purchase all of the Notes if any Notes are purchased.

The Underwriter intends to offer the Notes to the public initially at the offering yield set forth on the cover page of this Official Statement, which may subsequently change without any requirement

of prior notice. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing notes into investment trusts) at yields lower than the public offering yield set forth on the cover page of this Official Statement, and such public offering yield may be changed, from time to time, by the Underwriter without prior notice.

### **LEGALITY FOR INVESTMENT**

The State and all public officers, municipal corporations, 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 a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business 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 notes or other obligations issued by the County, including the Notes, and such obligations 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 (the "Rule"), promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, the County will, prior to the issuance of the Notes, enter into a certificate substantially in the form set forth in Appendix "D" hereto.

As described in this paragraph, the County has failed to provide certain secondary market disclosure pursuant to the Rule in connection with previous undertakings related to certain of its general obligation bonds and various The Camden County Improvement Authority ("Authority") bond financings. The County filed its 2012 audited financial statements on February 5, 2014 for the County's general obligation bonds and on August 19, 2013 for the Authority bonds. After the filing of such audited financial statements, the County realized that the 2012 audited financial statement, certain bond insurance related rating changes and the 2012 annual report were not attached to certain CUSIPs of its general obligation bonds and certain CUSIPs of the Authority's bonds on the MSRB's Electronic Municipal Market Access System ("EMMA"). Such audited financial statements, notices of rating change and annual reports were filed for the missing CUSIPs on September 8, 2014. In 2014, the County failed to file its 2013 audited financial statements and 2013 annual report by July 29, 2014 in connection with CUSIPs of its general obligation bonds. Such audited financial statements and annual report were filed on July 31, 2014. Failure to File notices for 2012 and 2013 annual report information were posted late to EMMA for the County's general obligation bonds. The County's rating was upgraded by S&P in November of 2013 and the related notice was filed on June 19, 2014.



## LEGAL MATTERS

The legality of the Notes will be subject to the approving legal opinion of McCarter & English, LLP, Newark, New Jersey, Bond Counsel to the County. Such opinion will be printed on or accompany the Notes and provide, *inter alia*, that the Notes are valid and legally binding obligations of the County, and unless paid from other sources, are payable from *ad valorem* taxes levied upon all the taxable property within the jurisdiction of the County without limitation as to rate or amount. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted. Certain legal matters will be passed upon for the County by Christopher A. Orlando, Esquire, County Counsel.

The various legal opinions and/or certifications to be delivered concurrently with the delivery of the Notes express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion and/or certification, 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 and/or certification guarantee the outcome of any legal dispute that may arise out of the transaction.

## ADDITIONAL INFORMATION

Inquiries regarding this Official Statement may be directed to David McPeak, Chief Financial Officer, County of Camden, 520 Market Street, Courthouse, Camden, New Jersey 08102 (856-225-5383; telefax 856-566-3105).

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 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 holders of the Notes. 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 Notes 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.

This Official Statement has been duly executed and delivered by the Chief Financial Officer for and on behalf of the County.

**COUNTY OF CAMDEN, NEW JERSEY**

**By: \_\_\_\_\_**  
**DAVID MCPEAK, CHIEF FINANCIAL OFFICER**

**Dated: \_\_\_\_\_, 2018**

**APPENDIX A**

**CERTAIN INFORMATION CONCERNING THE COUNTY**

## ***INTRODUCTION***

### ***General Information***

The County of Camden, New Jersey (“County”), formerly part of Gloucester County, New Jersey, was established in 1844. The County, approximately 222 square miles in area, is in the southwestern part of the State of New Jersey (“State”) along the east bank of the Delaware River opposite Philadelphia, Pennsylvania (“Philadelphia”). The Counties of Burlington, Atlantic and Gloucester border the County on, respectively, the northeast, southeast and southwest, with the Delaware River forming the western border of the County.

### ***County Government***

The County operates under the freeholder form of government. The Board of Chosen Freeholders of the County (“Board”) consists of seven Freeholder members elected at-large for three year terms on a staggered basis. Each year, the Board elects one of the Freeholders to serve as Freeholder Director. The Freeholder Director appoints Freeholders to be in charge of various committees. The Board, operating through the committee system, is charged with both executive and legislative responsibilities for: (i) formulating policies; (ii) developing new programs; (iii) appointing members of the various County commissions, authorities and boards; (iv) approving the County’s operating and capital budgets; and (v) appropriating the funds required to maintain County services.

The County Administrator, appointed by the Board, oversees the daily governmental operations of the County. Each major department is headed by an administrator who acts as liaison to the Freeholder overseeing such department’s operations. Financial matters are under the supervision of the County’s Chief Financial Officer who is appointed by the Board.

### ***Organization and Management of County Government***

In 1983, the Board adopted an internal administrative reorganization the objectives of which were to: consolidate government organization; increase accountability of department and agency heads; streamline reporting requirements; and improve productivity. The Board also established an Office of Management and Budget (“OMB”) modeled after the federal OMB. Detailed monitoring reports on a monthly basis are provided by the OMB to evaluate the various departments and agencies in terms of performance and unit costs.

The County’s operating and capital budget process is initiated by departmental submissions of project requests to the OMB. The various projects are reviewed, documented with cost estimates, and prioritized against a set of weighted criteria. The projects’ listing is structured according to the availability of funds as set by the debt and capital policy of the County.

## ***PRINCIPAL ADMINISTRATIVE OFFICERS***

### ***County Administrator***

Mr. Ross G. Angilella is currently the County Administrator. He was first appointed to the position of County Administrator on September 4, 2004. Prior to his appointment as County Administrator, Mr. Angilella served as the County Purchasing Agent and an Assistant County Counsel since September 1983.

### ***Chief Financial Officer***

Mr. David McPeak is currently the Chief Financial Officer and County Treasurer. Mr. McPeak was first appointed to the position of Chief Financial Officer on January 7, 1999. Prior to that, he had been Acting Chief Financial Officer since January 6, 1998. Mr. McPeak has served as Budget Director for the County since August 1993.

### ***COUNTY HISTORY***

In 1632, the first European settlers arrived in the area now known as Camden County. In 1688, the first ferry linking the area with Philadelphia was established. In 1773, Camden City was created at the site of Cooper's Ferry. With the building of the Camden and Amboy Railroad, the area began to grow rapidly. In 1869, Joseph Campbell and Abram Anderson formed a jelly and fruit producing enterprise, now known as the Campbell Soup Company. A machine shop owned by Eldridge Johnson became the Victor Talking Machine Company, later known as RCA Victor. Prior to World War I, Esterbrook Pen Co. and New York Shipbuilding Co. became well established. The completion of the Benjamin Franklin Bridge to center city Philadelphia in 1926 made it possible for people to live in the County and work in the Philadelphia area. The post-World War II boom and suburban communities' growth was accelerated by (i) the opening of the Walt Whitman Bridge in 1957, which provides a direct connection to the Philadelphia International Airport and (ii) the construction of The Port Authority Transit Corporation ("PATCO") high speed commuter line linking Lindenwold, in the southern part of the County, to center city Philadelphia. During the 1970s and 1980s, the County's economy diversified from principally an industrial base to high technology, corporate, financial and service businesses. Residential development pushed southeastward, principally into the Townships of Voorhees, Waterford and Winslow. Today, because of the prior commercial and residential expansion, a substantial portion of the County's physical infrastructure is in place.

### ***COMMERCIAL LOCATION***

The County is 140 miles equidistant between New York and Washington, D.C. and at the midpoint of the Boston-Richmond Northeast Corridor. Within one-day's drive of twelve states, businesses in the County have a potential market of about 60 million people, or about one-fourth of the United States market. As part of the Philadelphia Metropolitan Area, the County is an essential component of the nation's fourth largest market area. The Delaware River flows into the Delaware Bay which connects with the Atlantic Ocean and forms a deep water entrance to the docking and freight facilities situated along the County's riverfront, a part of the nation's second largest deep water port.

### ***HEALTH CARE SERVICES***

Within the County are four non-profit hospitals and eight County-operated health clinics. The non-profit hospitals are: (i) the 427-bed Cooper Hospital/University Medical Center located in Camden City; (ii) the Kennedy Memorial Hospitals/University Medical Center, consisting of three divisions (two of which are located within the County - the 225-bed Cherry Hill division and the 236-bed Stratford division); (iii) Our Lady of Lourdes Medical Center, a 377-bed acute care facility located in Camden City; and (iv) the Virtua Health System, consisting of three divisions - the 95-bed Berlin division, the Camden City division providing emergency room services, and the 370-bed Voorhees division.

The Camden County Health Division's eight clinics offer services ranging from family planning and prenatal clinics to cancer detection and hypertension clinics.

## ***EDUCATIONAL FACILITIES***

### ***Public School Systems***

Within the County are 36 school districts which operate 104 elementary and middle schools and 22 high schools. In addition, the County operates two vocational-technical schools (located in Pennsauken and Gloucester Townships) which provide daytime classes with an enrollment of approximately 2,100 daytime students, and evening education to approximately 1,800 students, including adults. The two vocational-technical schools employ 262 professional and 131 non-professional personnel.

### ***Private and Parochial Schools***

Excluding private nursery schools and day care centers, there are 51 private and parochial schools for grades one through twelve within the County.

### ***Charter School/Renaissance Schools***

There are ten charter schools within the County. The annual enrollment for the charter schools is approximately 4,000 students in kindergarten through grade twelve. In addition, there are three Renaissance Schools in the City of Camden (“Camden City”). These Renaissance Schools are a newer kind of public school in New Jersey that combines the autonomy of charter schools with a direct and cooperative relationship with the school district.

### ***Higher Education***

Camden County College is a comprehensive public community college with campuses in Blackwood and Camden City, as well as the William G. Rohrer Center in Cherry Hill and the Regional Emergency Training Center in Gloucester Township, that serve Camden County and the surrounding area and is a vital resource for transfer education, workforce training and cultural events. Camden County College offers associate degrees, certificate and training programs in technical fields such as automotive technology and mechanical engineering; health professions such as nursing and medical coding, and liberal arts and sciences such as English and chemistry. Additionally, the College operates the Adult Technical Institute at the Sicklerville Campus of the Camden County Technical School, and offers credit classes throughout the County in high schools, work sites, and neighborhoods. The College also has affiliations with four-year institutions such as Rutgers University, Drexel University and Thomas Jefferson University, College of Allied Health Sciences.

Rutgers - The State University of New Jersey, Camden Campus (“Rutgers”), has two four-year undergraduate liberal arts colleges, one serving students who attend classes during the day and one for those attending evening classes. In addition to liberal arts degrees offered by the College of Arts and Sciences, there is (i) a Graduate School offering master’s degree programs in biology, business administration, English and public policy, and (ii) the School of Law, evening and day curriculum, leading to a Juris Doctor degree. In September 2012, Rutgers completed construction of a student housing project consisting of a 350-bed graduate student housing facility. (See the caption, below, entitled “DEMOGRAPHIC AND ECONOMIC INFORMATION – Camden City”).

Cooper University Hospital, located in the City of Camden, is a major teaching hospital and is affiliated with the Cooper Medical School of Rowan University (“CMSRU”) located in Camden City and Rowan University’s School of Osteopathic Medicine located in the Borough of Stratford (“SOM”).

CMSRU is a four-year allopathic medical school adjacent to the Cooper Hospital complex. CMSRU opened on July 24, 2012, with its first incoming class enrolling in the Fall of 2012. (See the caption, below, entitled “DEMOGRAPHIC AND ECONOMIC INFORMATION – High Technology”). The construction of CMSRU was financed by tax-exempt and taxable revenue bonds issued by The Camden County Improvement Authority (“CCIA”) on behalf of Rowan University.

Rowan University School of Osteopathic Medicine is a four-year public college of osteopathic medicine located in the Borough of Stratford, New Jersey and includes Rowan University’s Graduate School of Biomedical Sciences. The college is affiliated with Cooper University Hospital. It is the only college of osteopathic medicine in the State, and, until the opening of CMSRU in 2012, was the only four-year medical school in Southern New Jersey. Established in 1976 as part of the University of Medicine and Dentistry of New Jersey (“UMDNJ”), SOM became part of Rowan University on July 1, 2013. The acquisition by Rowan University of SOM from UMDNJ was financed by tax-exempt and taxable revenue bonds issued by the CCIA on behalf of Rowan University.

Kennedy Health/University Medical Center is composed of three hospitals affiliated with the Rowan University School of Osteopathic Medicine.

### ***RECREATIONAL FACILITIES***

The County’s park system consists of 14 major parks in twelve communities consisting of 1,760 acres of land and 2,000 acres of water, nine miles of horse trails and 15 miles of bike trails. Facilities in the park system include a restaurant, football and softball fields, tennis courts, a new boathouse, miniature golf courses, and a golf driving range.

### ***TRANSPORTATION FACILITIES***

#### ***Passenger***

A \$17 million Transportation Center in Camden serves as an interchange for automobiles, commuter buses and commuter rail lines. The major bus service is provided by New Jersey Transit, which provides intracounty, intercounty and interstate service, and by Greyhound, a major interstate carrier. In 2004, New Jersey Transit commenced light rail service connecting Camden City with the City of Trenton to the north and linked to the PATCO system through the Transportation Center in Camden City.

The PATCO high speed rail line, an above and below ground level 14.5 mile system from Lindenwold to center city Philadelphia is a heavily used commuter line, hosting over 200,000 commuters every week. PATCO has nine stations (with parking lots) in the County. New Jersey Transit - Rail Operations provides local rail service between Atlantic City and Philadelphia.

#### ***Freight***

Freight service by a national intrastate and interstate rail carrier, and several independently owned rail carriers, and approximately 80 trucking concerns situated in the County, is readily available for business interests. Waterborne freight arriving from or departing to overseas destinations or other ports in the United States is handled at three major cargo handling terminals. Two of the terminals, Beckett Street and Broadway, both in Camden City, are operated by the South Jersey Port Corporation, and the third, in Gloucester City, is operated by Holt Cargo Systems. Crowley Maritime operates a major private barge service terminal in Pennsauken, providing service to Puerto Rico and the Caribbean. The terminals are

equipped for multi-purpose handling of piggyback, bulk, high and wide cargo, and containers or trailers on flatcar.

### ***Highway and Bridge Systems***

The County maintains over 400 miles of roads, which provide connections to east/west State Route 30 (White Horse Pike), State Route 168 (Black Horse Pike), State Route 70, the Atlantic City Expressway, and Interstate Routes 676 and 76 (the principal truck route over the Walt Whitman Bridge to the west); and to north/south State Route 130, which generally follows the Delaware River, Interstate Routes 295 and 95, the New Jersey Turnpike, and State Route 38 running in a northeasterly direction.

Within or adjacent to the County, five bridges provide the means to cross the Delaware River to Philadelphia and its environs, to industrial centers south of Philadelphia, and to the interstate highway network. The principal commuter bridge to center city Philadelphia is the Benjamin Franklin Bridge. The Betsy Ross and Tacony-Palmyra Bridges provide access to Pennsylvania north of Philadelphia, and the Walt Whitman Bridge, in the County's southwest portion, is the access route to the Philadelphia International Airport and the connection to routes heading west and southwest.

### ***UTILITIES***

Electricity and gas are provided by Atlantic City Electric (eastern half of the County), Public Service Electric and Gas Company, and South Jersey Gas Company. The Camden County Municipal Utilities Authority operates and maintains County-wide wastewater collection and treatment facilities (see the caption, below, entitled "AUTHORITIES OF THE COUNTY – Camden County Municipal Utilities Authority"). The Pollution Control Financing Authority of Camden County owns the land on which a 1,050 tons per day resource recovery facility operates (see the caption, below, entitled "AUTHORITIES OF THE COUNTY – Pollution Control Financing Authority of Camden County"). The major supplier of potable water is the New Jersey American Water Company which serves all or part of 23 municipalities in the County. The remaining 14 municipalities obtain water from wells. The New Jersey American Water Company, along with individual municipally operated water departments, draws water supplied by huge aquifers which are replenished by an annual average precipitation of 55 inches. To ensure adequate water supply in the future, the New Jersey American Water Company has constructed a new surface water supply, a new treatment facility and a new distribution system.

### ***LAW ENFORCEMENT***

#### ***Sheriff, Parks Police, Prosecutor's Office and Court System***

The County operates a Sheriff's Department and, prior to March 21, 2013 a Parks Police Department. On March 21, 2013, the Parks Police Department was abolished and all active officers were transferred to the Camden County Police Department (as hereinafter defined). The County also funds the Camden County Prosecutor's Office which includes an Investigators Unit. The County Court System, along with all New Jersey County Courts, is under the jurisdiction of the State.

#### ***Camden County Regional Police Department***

The County, after careful study and consideration, determined that a regional approach to policing services would offer certain municipalities within the County and, in particular, Camden City, a more effective and more efficient means of addressing public safety in the reality of the present environment in



which crime increasingly cuts across municipal jurisdictional lines and in which municipal budgets are increasingly straining to maintain services.

In furtherance of such determination, the County has created a regional police department for the purpose of providing police services to the various municipalities contained therein, including Camden City (“Camden County Police Department”). On August 18, 2011, the County and Camden City entered into a Memorandum of Understanding (“MOU”) in furtherance of the desire of the County and Camden City to create the Camden County Police Department and for such Camden County Police Department to provide policing services to Camden City. To memorialize the terms and provisions of the MOU, Camden City and the County entered into a Shared Services Agreement pursuant to which the County, by and through the Camden County Police Department, has agreed to provide police services to Camden City through a subdivision of the Camden County Police Department known as the Metro Division (“Metro Division”) in exchange for certain consideration to be paid by Camden City for such services.

As part of the process of creating the Camden County Police Department, and in particular the Metro Division, the County, Camden City and the Department of Community Affairs, Division of Local Government Services of the State of New Jersey (“DLGS”) have entered into an agreement pursuant to which all costs associated with the operation of the Metro Division are fully funded by Camden City and the DLGS.

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***SUMMARY OF LABOR RELATIONS, BENEFITS AND INSURANCE***

***County Labor Relations***

The County employed approximately 2,500 persons as of December 31, 2017. Approximately 90% of the County workforce is represented by the collective bargaining units listed below.

<u><i>Union</i></u>	<u><i>Approximate # Employees per Unit</i></u>	<u><i>Description</i></u>	<u><i>Contract Expires December 31</i></u>
CWA Local 1014, Large and Agency Shop	539	County-wide white collar & blue-collar employees in Camden	2018
CWA Local 1014, Blue, Blue	48	Blue collar employees in Public Works, Parks and Lakeland	2018
CWA Local 1014, Supervisors	35	County-wide mid-level supervisory employees	2018
CWA Local 1014, Crafts	5	Craft employees in Public Works, Parks and Lakeland	2018
CWA Local 1014, Library	109	Library clerical and blue collar employees	2018
CWA Local 1014, Library Supervisors	3	Library clerical supervisors	2015*
Library Professionals, 1454A, AFSCME	46	Library professionals	2015*
Library Professionals, 2349B, AFSCME	4	Library Branch Managers	2015*
FOP 218, County Police/SOA	377	Camden County Police Officers/Supervisors	2016*
CWA Local 1014, Mosquito Commission	6	White collar and blue collar employees at the Mosquito Commission	2018
CWA Local 1014, Prosecutor's Office	56	Clerical employees in Prosecutor's Office	2016*
Superior Officers' Association	20	Superior Officers Prosecutor's Office	2015*
Assistant Prosecutors' Association	60	Assistant Prosecutors	2016*
PBA 277 Superior Officers	6	Superior Officers, Sheriff's Office	2015*
Agents Association Local 1360	25	Agents, Prosecutor's Office	2014*
PBA 277 Sheriff's Officers	132	Sheriff Officers	2015*
FOP 212 Superior Officers	18	Correction Superior Officers	2015*
PBA 351 Correction Officers	282	Correction Officers	2015*
PBA 316 Investigators	69	Investigators, Prosecutor's Office	2015*
AFSCME 1911 Superintendent of Elections	11	Superintendent of Elections employees	2015*
FOP 218A	20	County superior police officers	2016*
FOP 218	400	County Police Officers	2016*
Assistant Fire Marshal	1	Assistant Fire Marshals	2008*
Licensed Practical Nurses, AFSCME 3633	1	LPNs at Alcohol, and Youth Center	2011*

\* Under negotiation.  
Source: The County.

In addition to the above employees, there were approximately 176 Management and Unclassified County employees not covered by any collective bargaining units as of December 31, 2017.

***Retirement Systems and County Pension Plan***

Generally, all full-time or qualified County employees who began employment after 1944 must enroll in one of two pension systems (Public Employees Retirement System (“PERS”) or Police and Firemen’s Retirement System (“PFRS”)) depending upon their employment status. These systems were established by acts of the State Legislature. Benefits, contributions, means of funding and the manner of administration are set by the State. The Division of Pensions within the State’s Department of Treasury is the administrator of these systems. The County is a member of PERS and PFRS. PERS and PFRS are evaluated every year by the State with employee contribution rates normally determined by the rate applicable at the age of enrollment.

***Public Employee’s Retirement System (PERS)***

PERS included 1083 eligible County employees as of December 31, 2017.

***Police and Firemen’s Retirement System (PFRS)***

842 eligible County police officers and fire fighters were enrolled in PFRS as of December 31, 2017.

***Federal Social Security System***

The County is not delinquent in its payments to the federal Social Security System (“OASI”).

***County Pension Plan***

The County’s pension plan is known as “The Detectives’, Sheriff Officers’ and Probation Officers’ Pension Plans” and is not actuarially funded by the County. Accordingly, actuarial valuations are not prepared. However, the County has a direct pension liability extending over the lives of the beneficiaries and their spouses. Employees hired after November 30, 1963 were not eligible to join the plan. The unaudited plan trust fund balance at December 31, 2017 was \$149,784.

***Total Retirement Benefits <sup>(1)</sup>***

The following schedule summarizes the payments by the County for the aforementioned retirement systems.

	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
PERS	\$7,784,406	\$7,358,239	\$6,409,206	\$6,177,455	\$6,260,445
PFRS	9,670,339	10,166,967	9,145,347	9,465,839	8,800,105
OASI	9,626,042	9,478,678	9,425,930	9,204,772	8,748,243
County Pension Funds <sup>(2)</sup>	<u>145,697</u>	<u>152,090</u>	<u>162,594</u>	<u>170,706</u>	<u>170,305</u>
<b>Total</b>	<b><u>\$27,226,484</u></b>	<b><u>\$27,155,974</u></b>	<b><u>\$25,143,077</u></b>	<b><u>\$25,018,772</u></b>	<b><u>\$23,979,098</u></b>

<sup>(1)</sup> Reflects amounts paid in respective years.

<sup>(2)</sup> Includes the Detectives’, Sheriff Officers’ and Probation Officers’ Pension Plans and reflects appropriation amounts.

Source: The County’s Unaudited & Audited financial statements for fiscal years 2013 through 2017.

### ***County Insurance Programs***

The County is partially self-insured for Medical and Prescription Drug coverages, Property Damage, Automobile/General Liability, Crime and Workers' Compensation, with excess insurance on all coverages. The County and its boards, agencies, authorities and commissions presently purchase insurance or self-insure against risks of damage to persons or property of third parties, workers' compensation claims and claims against public officials through the Camden County Insurance Commission (the "Commission"), established on January 21, 2010, by Board resolution pursuant to N.J.S.A. 40A:10-6. The Commission is governed by three County officials who serve as commissioners and are appointed by the Board. Excess insurance is managed by the New Jersey Counties Excess Joint Insurance Fund, established in March 2010. As of December 31, 2017, member counties in New Jersey include the County, the County of Gloucester, the County of Union, the County of Burlington, the County of Cumberland, the County of Atlantic, the County of Mercer, the County of Hudson and the County of Ocean.

For fiscal year 2018, the County budgeted \$64,275,844 as its share of the cost to provide various types of insurance coverage. Of this, \$57,620,549 was attributable to health care and health-related coverage. The \$6,655,2959 balance is the annual assessment to the Camden County Insurance Commission for providing insurance for general and automobile liability, workers' compensation and bonding of public officials.

## ***COUNTY FINANCIAL OPERATIONS***

### ***Basis of Accounting***

The accounting policies of a local governmental unit in the State must conform to the accounting principles applicable to local governmental units which have been prescribed by the Division of Local Government Services of the New Jersey Department of Community Affairs. The following is a summary of the significant policies:

**Basis of Accounting --** A modified accrual basis of accounting is followed with minor exceptions. Revenues are recorded as received in cash, except for certain amounts that may be due from the State. Expenditures are recorded on an accrual basis. Appropriation reserves covering unexpended appropriation balances are automatically created on December 31 of each year and recorded as liabilities, except for amounts that may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred or entered into during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

**Interfunds --** Interfund receivables in the Current Fund (discussed below) are recorded with offsetting reserves. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Fixed Assets --** Property and equipment purchased through the Current Fund and the General Capital Fund (discussed below) are recorded as expenditures at the time of purchase and are not capitalized.

***Current Fund***

A local governmental unit finances its operations primarily through the Current Fund. All tax receipts and most revenues are paid into the Current Fund and substantially all expenditures made by appropriations are paid from the Current Fund. The County operates on a January 1 to December 31 fiscal year.

***General Expenditures***

Expenditures are comprised of those made for general County purposes, certain expenditures made from restricted federal, State and private grants, certain federal or State mandated expenditures, deferred charges, debt service and capital improvements. Budgeted expenditures for general County purposes include payments made primarily in support of the County's various departments.

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**Summary of Financial Operations for Years 2017, 2016, 2015, 2014 and 2013**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b><u>Unaudited</u></b>	<b><u>Audited</u></b>	<b><u>Audited</u></b>	<b><u>Audited</u></b>	<b><u>Audited</u></b>
<b>Appropriations:</b>					
General Government	\$91,965,292	\$90,163,724	\$85,697,266	\$79,280,094	\$73,850,707
Judiciary	28,485,127	27,439,753	26,014,152	25,063,675	23,686,964
Regulation	50,954,419	47,954,294	43,421,656	41,627,658	41,714,552
Roads and Bridges	7,458,638	6,313,484	6,720,350	7,171,257	7,335,385
Correctional and Penal	50,474,433	48,676,186	51,492,073	50,895,299	50,858,279
Health and Welfare	35,771,797	36,816,625	40,680,494	50,940,841	35,918,760
Education	22,016,622	21,994,602	21,975,169	20,978,757	20,996,757
Recreation	5,918,899	4,628,528	3,968,083	3,829,753	3,475,879
Unclassified <sup>(1)</sup>	557,030	873,030	1,979,030	707,150	2,389,548
State, Federal & Other Programs	41,999,782	40,300,171	52,285,316	55,421,041	49,541,063
Contingency	334,819	298,719	287,119	287,119	300,000
Capital Improvements	500,000	1,900,000	0	0	0
Debt Service <sup>(1)</sup>	43,274,356	42,164,134	42,901,544	44,017,661	42,823,427
Deferred Charges and Statutory Expenditures	<u>28,444,049</u>	<u>28,394,368</u>	<u>25,670,001</u>	<u>27,436,335</u>	<u>25,458,956</u>
Total General Appropriations	<u>\$408,155,263</u>	<u>\$397,917,618</u>	<u>\$403,092,253</u>	<u>\$407,656,640</u>	<u>\$378,350,277</u>
<b>Anticipated Revenues:</b>					
Miscellaneous Revenues:					
Local and Other	\$29,394,383	\$24,188,474	\$21,898,521	\$19,955,339	\$16,170,963
State, Federal and Other Grants	41,999,782	40,300,171	52,285,316	55,421,041	49,541,063
Other Special Items	<u>17,582,823</u>	<u>19,024,399</u>	<u>22,533,244</u>	<u>35,925,258</u>	<u>20,980,996</u>
Total Miscellaneous Revenues	88,976,988	83,513,044	96,717,081	111,301,638	86,693,022
Fund Balance Appropriated	16,148,579	13,965,634	11,247,791	11,247,791	8,535,993
Amount Raised by Taxation	308,631,000	302,639,654	296,996,717	291,262,738	285,555,857
Non-Budget MRNA <sup>(2)</sup>	<u>5,486,592</u>	<u>4,332,886</u>	<u>2,623,433</u>	<u>3,714,057</u>	<u>4,140,758</u>
Total General Revenues	<u>\$419,243,159</u>	<u>\$404,451,218</u>	<u>\$407,585,022</u>	<u>\$417,526,224</u>	<u>\$384,925,630</u>

<sup>(1)</sup> Recharacterization of lease payments as debt.

<sup>(2)</sup> Miscellaneous revenues not anticipated

Source: The County's Unaudited & Audited financial statements for fiscal years 2013 through 2017.

## ***REVENUE SOURCES***

Revenue sources for the County's operations consist of miscellaneous revenues, federal and State assistance and/or grants, and the monies received from the County's taxes levied by the respective municipalities in the County. The County's principal revenue source is from taxes. Increased costs of certain services, such as insurance and public safety, have resulted in an increased tax levy in recent years.

### ***Apportionment of County Purpose Taxes***

Taxes for County purposes are based upon the equalized valuation, as calculated by the County's Board of Taxation, of all taxable property within the County. The County purpose taxes are apportioned among the County's constituent municipalities based upon the ratio that each municipality's equalized valuation bears to the total equalized valuation of all taxable property in the County. (It should be noted that taxes for municipal and school purposes are based on assessed valuations.)

### ***Tax Collection Procedure***

The municipalities within the County are the political entities responsible for the levying and collection of taxes on all taxable property within their borders, including the tax levy for the County. Four payments are due (August 1, November 1, February 1 and May 1).

Importantly, since the County's fiscal year runs from January 1 through December 31, the County's revenues for the first half of its fiscal year result from a levy established the previous July 1 (which is based on the prior year's budgetary needs). However, any adjustments necessary due to a change in budget from one year to the next are factored into the tax levy calculated in the middle of the County's fiscal year.

Property taxes are based on a municipality's assessor's valuation of real property on an assessed valuation basis, as confirmed by the County's Board of Taxation.

Each municipality is required to pay to the County its share of the County purpose tax on the 15th day of February, May, August and November. The County receives 100% of its share of the taxes collected from the first taxes collected by each municipality. If a municipality has not remitted in full to the County its share of omitted and added taxes by December 31 of the year of tax levy, a municipality has until February 15 of the year immediately following (45 days) to pay in full the amount due to the County.

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***Current Fund Revenue Sources***

<u>Year</u>	<u>Budget Requirement</u>	<u>Revenue Surplus Appropriation</u>	<u>Anticipated Revenue</u>	<u>Non-Budget Revenues</u>	<u>Amount to be Raised by Taxation</u>	<u>Percent of Tax Levy to Budget Requirement</u>
2017	\$408,155,263	\$16,148,579	\$88,976,988	\$5,486,592	\$308,631,000	75.62%
2016	397,917,618	13,965,634	83,513,044	4,332,886	302,639,654	76.06
2015	403,092,253	11,247,791	96,717,081	2,623,433	296,996,717	73.68
2014	407,656,640	11,247,791	111,301,638	3,714,057	291,262,738	71.45
2013	378,350,277	8,535,993	86,693,022	4,140,758	285,555,857	75.47
2012	368,620,337	7,865,111	79,933,049	6,301,653	280,121,500	75.99
2011	376,369,818	7,757,823	97,138,784	3,194,207	271,577,245	72.16
2010	397,061,077	15,039,035	108,337,405	4,837,020	256,577,245	64.62
2009	384,487,118	19,150,945	121,605,665	3,039,444	242,171,733	62.99
2008	368,282,442	14,223,571	101,167,122	4,144,840	242,271,733	65.78

Source: The County's Unaudited & Audited financial statements for fiscal years 2008 through 2017.

***Current Fund Balances and Amounts Utilized in Succeeding Year's Budget***

<u>Year</u>	<u>Balance as of December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	
		<u>Amount</u>	<u>Percent</u>
2017	\$68,985,413	\$18,983,208*	27.52%
2016	55,228,808	16,148,579	29.24
2015	48,542,538	13,965,634	28.77
2014	47,188,518	11,247,791	23.84
2013	40,035,590	11,247,791	28.09
2012	32,257,996	8,535,993	26.46
2011	19,904,159	7,865,111	39.51
2010	17,338,201	7,757,823	44.74
2009	23,248,314	15,039,035	64.69
2008	30,868,445	19,150,945	62.04

Source: The County's Unaudited & Audited financial statements for fiscal years 2008 through 2017.

\*As introduced, 3/13/18



**TAX INFORMATION**

**Tax Rates**

<u>Year</u>	<u>Tax Rate<sup>(1)</sup></u>	<u>Tax Apportionment</u>	<u>Tax Collection</u>	<u>Percent Collected</u>
2017	8.19	\$308,631,000	\$308,631,000	100.00
2016	8.16	302,639,654	302,639,654	100.00
2015	8.08	296,996,717	296,996,717	100.00
2014	7.84	291,262,738	291,262,738	100.00
2013	7.64	285,555,857	285,555,857	100.00
2012	7.05	280,121,500	280,121,500	100.00
2011	6.50	271,577,245	271,577,245	100.00
2010	6.10	256,577,245	256,577,245	100.00
2009	5.60	242,171,733	242,171,733	100.00
2008	5.80	242,271,733	242,271,733	100.00

(1) Per \$1,000 of assessed valuation.

Source: The County's Audited financial statements for fiscal years 2008 through 2017.

**Added and Omitted Tax Levies <sup>(1)</sup>**

<u>Year</u>	<u>Added Taxes</u>	<u>Omitted Taxes</u>	<u>Total</u>
2017	\$1,408,391	\$172,421	\$1,580,812
2016	821,420	165,692	987,112
2015	1,300,852	379,273	1,680,125
2014	756,351	32,448	788,799
2013	640,535	217,290	857,825
2012	695,667	80,261	775,928
2011	594,383	75,988	670,371
2010	882,534	87,757	970,291
2009	882,788	87,757	970,545
2008	921,907	235,398	1,157,305

(1) Added and omitted taxes not collected in the year of levy must be paid by February 15 of the calendar year next following.

Source: The County's Audited financial statements for fiscal years 2008 through 2017.

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**Comparison of Total Tax Levies to Annual Debt Service Requirements**

<b>Year</b>	<b>General Purpose Tax Levy<sup>(1)</sup></b>	<b>Bonded Debt Service Requirement<sup>(2)</sup></b>	<b>Percent of Bonded Debt Service to Tax Levy</b>
2018	\$312,951,834	\$48,095,115	15.37%
2017	308,631,000	43,274,356	14.02
2016	302,639,654	42,164,134	13.93
2015	296,996,717	42,901,544	14.45
2014	291,262,738	44,017,661	15.11
2013	285,555,857	42,823,427	15.00
2012	280,121,500	45,409,326	16.21
2011	271,577,245	44,112,634 <sup>(3)</sup>	16.24
2010	256,577,245	10,706,980 <sup>(3)</sup>	4.17
2009	242,171,733	8,226,059	3.40
2008	242,271,733	7,038,517	2.91

<sup>(1)</sup> Excludes County Library tax levy.  
<sup>(2)</sup> Excludes refunded permanent debt.  
<sup>(3)</sup> Recharacterization of lease payments as debt.

Source: The County's Unaudited & Audited financial statements for fiscal years 2008 through 2017 and the County 2018 Introduced Budget.

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

**Population**

Population in the County has shifted from urban areas to suburban areas with the population increase occurring primarily in the southern and eastern parts of the County. This shifting of population has resulted in an increase in retail shopping malls and other retail and office services. Two of the largest shopping malls in southern New Jersey are in the County (Voorhees Town Center in Voorhees and Cherry Hill Mall in Cherry Hill) and together with numerous other shopping centers and mini-malls share over \$5 billion in annual retail sales.

**Population Trend**

<b>Political Entity</b>	<b>----Percent Increase---</b>				
	<b>2017- EST.</b>	<b>2010</b>	<b>2000</b>	<b>1990</b>	<b>1990-2010</b>
<b>County</b>	510,150	513,657	508,932	502,824	2.15%
<b>State</b>	8,944,4695	8,791,894	8,414,350	7,730,188	13.73%

Source: Federal Census information, U.S. Department of Commerce, Economics and Statistical Administration, Bureau of the Census.

***Population Density***

<b>Political Entity</b>	<b>Square Miles</b>	<b>-----Number of Persons Per Square Mile -----</b>		
		<b><u>2010</u></b>	<b><u>2000</u></b>	<b><u>1990</u></b>
<b>County</b>	221.3	2,321.5	2,295.5	2,264.9
<b>State</b>	7,354.2	1,195.5	1,144.2	1,031.3

Source: New Jersey Department of Labor, Division of Planning and Research.

***Median Household Income Statistics***

<b>Political Entity</b>	<b><u>2000</u><sup>(1)</sup></b>	<b><u>2007-2011</u><sup>(2)</sup></b>	<b><u>2007-2017</u><sup>(2)</sup></b>
<b>County</b>	\$48,097	\$61,824	\$62,185
<b>State</b>	55,146	71,180	72,093

Sources:

<sup>(1)</sup> 2000 Federal Census Information and New Jersey Department of Labor, Division of Planning and Research.

<sup>(2)</sup> U.S. Census Bureau.

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***Trend of Employment and Unemployment***

<u>Year</u>	<u>Political Entity</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment Rate</u>
2017	County	640,600	613,900	4.2%
	State	4,513,700	4,300,200	4.7%
	U.S.	160,320,000	153,340,000	4.1%
2016	County	225,629	241,640	5.5%
	State	4,328,000	4,553,000	4.9
	U.S.	159,187,000	151,436,000	4.9
2015	County	254,888	238,354	6.5%
	State	4,535,000	4,272,000	5.8
	U.S.	157,130,000	148,834,000	5.3
2014	County	253,330	233,858	7.7%
	State	4,523,000	4,221,000	6.7
	U.S.	155,922,000	146,305,000	6.2
2013	County	266,961	242,487	9.2%
	State	4,598,311	4,206,644	8.5
	U.S.	155,389,000	143,929,000	7.4
2012	County	270,200	242,500	10.3%
	State	4,592,500	4,145,200	9.8
	U.S.	154,975,000	143,469,000	8.1
2011	County	268,858	240,783	10.5%
	State	4,514,575	4,095,358	9.3
	U.S.	153,617,000	139,869,000	8.9
2010	County	268,300	240,000	10.6%
	State	4,502,400	4,076,700	9.5
	U.S.	153,889,000	139,064,000	9.6
2009	County	271,400	244,200	10.0%
	State	4,536,700	4,118,400	9.2
	U.S.	154,142,000	139,877,000	9.3
2008	County	267,100	251,000	6.0%
	State	4,502,800	4,257,000	5.5
	U.S.	154,287,000	145,362,000	5.8
2007	County	265,108	252,546	4.7%
	State	4,596,000	4,343,000	5.5
	U.S.	151,000,000	143,600,000	4.9

Source: U.S. Bureau of Labor Statistics.

### ***Major Private Sector Employers***

<b><u>Name</u></b>	<b><u>Approximate Employment</u></b>
Cooper Health System	7,000
Virtua Health System	2,500
Campbell Soup Company	2,300
Our Lady of Lourdes Medical Center	2,000
American Water	2,000
TD Bank	1,300
Jefferson Health System	1,256
Aluminum Shapes	1,000
Lockheed Martin	800

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Source: Camden County.

### ***Major Public Sector Employers***

<b><u>Employer</u></b>	<b><u>Approximate Employment</u></b>
State of New Jersey	5,000
U.S. Postal Service	4,000
County of Camden	2,100
Rutgers – Camden	1,300
Cherry Hill Board of Education	1,022
City of Camden	1,000
DRPA <sup>1</sup> and Patco <sup>2</sup>	800
Camden City Board of Education	700
Camden County College	500

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(1) Delaware River Port Authority.

(2) Port Authority Transit Corporation.

Source: Camden County.

## Major Real Property Taxpayers

The following schedule shows the major real property owners in the County. The assessed valuation for each major property owner shown is based upon the evaluation by the tax assessor in each municipality. The amounts listed do not reflect actual tax bills as there could be adjustments due to credits and tax appeals and similar factors. Actual dollar amounts shown under the last three columns may vary due to rounding.

<u>Property Owner</u>	<u>Business</u>	<u>Municipality</u>	<u>Assessed Valuation</u>	<u>2017 Equalized Valuation<sup>(1)</sup></u>	<u>County Purpose Tax<sup>(2)</sup></u>
Cherry Hill Center/PREIT Services	Shopping Mall	Cherry Hill	393,550,000	\$423,399,677	\$3,468,490
Cherry Hill Retail Partners, LLC	Retail	Cherry Hill	68,000,000	\$73,157,612	\$599,307
Beav-Lasall Cherry Hill Medical Center	Penn Medicine	Cherry Hill	59,900,000	\$64,443,249	\$527,919
Virtua Hospital	Hospital	Voorhees	49,959,300	\$55,087,992	\$451,281
Grand Cherry Hill	Residential	Cherry Hill	52,000,000	\$55,944,056	\$458,294
Campbell Soup	Manufacturing	Camden	42,378,000	\$39,866,416	\$326,586
Cherry Hill Town Center Partners	Retail	Cherry Hill	40,811,400	\$43,906,832	\$359,685
L/N CAC, LLC	l-3 Communications	Camden	35,038,300	\$32,961,712	\$270,022
Behringer Harvard	Residential Apartments	Cherry Hill	35,000,000	\$37,654,653	\$308,467
HP Altman Autumn Ridge LLC	Residential Apartments	Gloucester Township	34,982,900	\$33,888,308	\$277,613
Echelon Residential Unit Owner	Residential Apartments	Voorhees	33,669,400	\$371,258	\$3,041
SDK Millbridge Gardens, LLC	Residential Apartments	Gloucester Township	33,388,000	\$32,343,311	\$264,956
Cherry Hill Towers	Residential Apartments	Cherry Hill	33,300,000	\$35,825,713	\$293,484
Verizon – New Jersey	Communications	Camden	28,610,678	\$26,915,031	\$220,488
ACP Jersey Assoc	Retail	Voorhees	28,578,600	\$315,124	\$2,581
Camden County Realty LLC	Nursing/Behavioral Health	Gloucester Township	28,090,300	\$27,211,373	\$222,916
Total Real Property Valuations and County Purpose Taxes:			<b><u>\$997,256,878</u></b>	<b><u>\$983,292,316</u></b>	<b><u>\$8,055,131</u></b>

<sup>1)</sup> The equalized valuation amounts are derived by dividing the respective real property assessed valuation amounts by the applicable 2017 equalization ratio per the 2017 Equalization Table.

<sup>2)</sup> The County general purpose tax rate for 2017 was \$8.20 per \$1,000 of assessed valuation.

Source: Camden County.

### ***Retail Establishments and Manufacturing Concerns***

The County's business retail base includes not only County residents, but also shoppers from neighboring counties and the greater Philadelphia area. There are over 3,300 retail business concerns in the County.

### ***High Technology***

The County has become a center for medical research and biological testing. Some of the technological leaders in the County (as well as in the nation) include:

- Cooper Medical School of Rowan University: The first new medical school constructed in over thirty years. This new school currently has approximately 400 medical school students along with approximately 150 staff members. In addition, this 200,000 square foot state-of-the-art research facility helps to bring a critical mass to the area.
- Coriell Institute: Coriell is researching genome informed medicine, innovating advances in pre-clinical discovery, and supporting significant research around the world. Coriell has a strong history in cell biology by playing an important role in stem cell research. Coriell's biobank manages the world's most diverse collection of cell lines, DNA, and other biomaterials gathered and distributed for use by the international biomedical research community.
- MD Anderson Cancer Center at Cooper: The new MD Anderson Cancer Center at Cooper brings together MD Anderson's expertise and Cooper's regional leadership in a partnership that opens up a broader range of options for cancer patients in South Jersey, Delaware and the greater Philadelphia region. Opened in 2013, MD Anderson Cancer Center at Cooper is a state-of-the-art, \$100 million, four-story, 103,050 square foot comprehensive cancer center on Cooper's Health Sciences Campus in Camden City which expands access to outstanding cancer care for residents of southern New Jersey and beyond.
- The Rowan University/Rutgers: The Camden Board of Governors (the "Board of Governors") was created by the New Jersey Medical and Health Sciences Education Restructuring Act which took effect on August 22, 2012. The Board of Governor's mission reflects an extension of Camden's significant "eds and meds" presence and is expected to leverage the educational and research assets to support growth in the region's health care capacity. The Board of Governors is currently designing a new state-of-the-art research building with an estimated project cost of approximately \$60 million.

### ***Private and Public Sector Developments Completed in Recent Years***

Set forth below is a representative listing of some of the private and public sector developments that have been completed within the County in recent years. This representative list is not intended to be exhaustive and includes certain development projects that currently remain in the process of completion. No assurance can be provided that such currently incomplete projects will be completed successfully as currently planned and as currently scheduled.

## Camden City:

### *Tax Credit Projects:*

Subaru of America, Inc. recently announced it will move their North American Headquarters to Camden City. The company will receive upwards of \$100 million from the NJEDA to locate and grow jobs in the City. Subaru plans to construct a 250,000 square foot building and will house approximately 500 employees. The project is expected to cost approximately \$118 million to construct and will be sited near Campbell's Soup Company.

The Camden City waterfront is continuing to be developed. Using the NJEDA's Grow NJ program, the Philadelphia 76ers have built a new state-of the-art practice center and a new administrative building. This complex will house 250 employees and will continue to add to the critical mass of the downtown area.

Holtec International also used NJEDA's Grow NJ program to construct a new plant to expand the company's current line of nuclear products, heat-exchange equipment, and other products for delivery to the company's customers worldwide. This project is expected to cost approximately \$260 million and bring in approximately 200 new jobs. The company continues to bring in new jobs and it will be a major employer in the City.

Lockheed Martin Corporation has been awarded tax credits to consolidate operations. This project will bring approximately 250 jobs to the City and an estimated \$146 million in capital projects.

American Water Works Company, Inc. is consolidating their operations and using tax credits to create a headquarters within Camden City. American Water Works Company, Inc. will bring in about 600 jobs from various locations and relocate them within Camden City. This new facility will be located near Campbell's Soup Company and Subaru of America, Inc.

ResinTech Inc. has been approved by the NJEDA for a 10-year tax incentive to relocate to Camden City. ResinTech Inc. manufactures a broad range of ion exchange resins for water and waste water treatment, including deionization, softening, metals removal, product purification, resource recovery, and pollution control. In addition to its ion exchange resins, ResinTech Inc. supplies activated carbon and inorganic selective exchangers. The firm will retain 92 full-time positions that are currently in-state and is expected to add an additional 173 new full time jobs.

Other businesses which have been awarded tax incentives by the NJEDA in Camden City include:

<u>Business</u>	<u>Award Amount</u>	<u>Total Eligible Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs (At Risk Job)</u>
EMR Eastern LLC and Affiliates	\$252,750,000	\$252,750,000	285	62
ACTEGA North America, Inc.	40,000,000	40,882,760	21	79
Cooper Health System	39,990,000	9,130,000	19	353
Contemporary Graphics	33,900,000	7,474,436	56	170
Chef'd LLC	19,000,000	11,378,789	200	0
Dubell Lumber Co.	18,300,000	6,050,000	30	92
IPAK, Inc.	17,100,000	1,359,000	0	114
Great Socks, LLC	13,000,000	1,604,047	33	67
Amerinox Processing, Inc.	7,950,000	2,830,000	8	45
DioGenix Inc.	7,455,000	2,991,986	71	0
Volunteers of America DV	6,337,500	2,313,981	0	65



<u>Business</u>	<u>Award Amount</u>	<u>Total Eligible Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs (At Risk Job)</u>
WebiMax LLC (2)	6,035,000	400,000	21	50
Clean Green Textile Service, LLC	5,000,250	910,000	0	59
Greener Cleaner Inc.	4,180,000	1,291,987	0	44
Advanced Hydraulic Systems, Inc.	4,050,000	1,675,000	27	0
Plastics Consulting and Manu. Co.	3,920,000	1,700,000	8	20

Source: New Jersey Economic Development Authority [http://www.njeda.com/pdfs/reports/Approved\\_GrowNJ\\_EOA.aspx](http://www.njeda.com/pdfs/reports/Approved_GrowNJ_EOA.aspx)

***Education:***

Rutgers University is expected to open both a new nursing and business school. These two projects will expand the footprint of the University and connect Rutgers with other portions of Camden City, bringing retail and other possible venues to the downtown area. In addition, Rowan University will expand its footprint within the Camden City with the renovation of a historic bank to its downtown campus.

**Cherry Hill Township:**

***Health Care Services:***

Cherry Hill Township has seen a number of construction projects that have focused on health service providers. The first project is the transformation of the old 150,000 square foot “Syms” building to a state-of-the-art medical complex which houses a division of the University of Pennsylvania Health System. This project has allowed the Health System to consolidate services into one building.

Another project is the expansion of Jefferson Health’s (formerly Kennedy Health System) Cherry Hill campus. The recently completed \$80 million project transformed the old hospital to a world class healthcare facility. The development added over 100,000 square feet of new outpatient space along with a new 600 plus parking garage. This new “medical mall” is bringing new outpatient services that include everything from a same-day surgery center, a sleep/balance center, a hyperbaric wound center, outpatient imaging services, physical rehabilitation, physician offices and other services.

LourdesCare at Cherry Hill is another health care transformation project. This renovation project allowed Lourdes Health System to consolidate services and renovate an approximately 150,000 square foot building for expert medical care, support services, and wellness programs. Over the last year, Lourdes has opened an urgent care facility at this location.

***Mixed-Use:***

A key revitalization project at the former Garden State Racetrack continues to flourish. This 530,000 square feet development is occupied by many national retailers and restaurants, including Wegmans, Home Depot, Dick’s Sporting Goods, Best Buy, Barnes & Noble, Bed, Bath & Beyond, Christmas Tree Shops, Cheesecake Factory, Houlihans’s and Nordstrom’s Rack. The development is more than just a retail destination. It also serves as a downtown area for one of the largest municipalities in New Jersey. The project will be continuing to mix residential housing and office space as well as planning for civic or community space. The Garden State Park enhancements have spurred additional development along the Haddonfield Road corridor where a few years ago many vacancies existed. Now there are restaurants and thriving business fronts. Furthermore, it has

sparked a transformation at the Cherry Hill Mall, one of the premier shopping destinations in the Delaware Valley. The move to upscale retailers and restaurants at the mall has doubled the sales of some of the retail outlets.

**Gloucester City:**

Housing has been a big initiative for the City over the last year as the City has embarked in an effort to rehabilitate existing housing throughout the City. This effort looks to improve and modernize the housing stock throughout the City. In addition, over the last several years, Gloucester City has enhanced its valuable waterfront properties by making infrastructure improvements to Freedom Pier and attracting businesses to the City. Two new eating establishments have opened to increase quality dining options for residents and visitors. These restaurants have created over 100 permanent jobs for local residents. In addition to retail and dining, the waterfront offers Gloucester City unique opportunities with the local marine terminal.

**Gloucester Township:**

August 2015 saw the opening of a new 450,000 square foot premium outlet shopping center located along Route 42. This project has brought new jobs and retail space to this section of the County. In addition, the township, along with private developers, opened a another significant shopping area on Berlin-Cross Keys Road, a major roadway in the County and right off the Atlantic City Expressway. The township has been very successful in retaining and attracting commercial, industrial and public/private businesses like US Vision. They have expanded and attracted business on the County-owned Lakeland Complex including an Armed Forces and Public Safety Training facility plus senior housing units.

**Pennsauken Township:**

Aside from Camden City, Pennsauken Township has seen a significant number of NJEDA tax incentive projects. Older, abandoned warehouses are being converted to manufacturing and other spaces. It is estimated that over one million square feet of office and industrial space has been rehabilitated as a result of the availability of this tax incentive program. The companies taking advantage of the incentives range from high-tech manufacturing to warehousing and distribution. The companies have either relocated to the Township from other areas or have expanded within the Township. This growth has led to the stabilization of the industrial parks within the Township.

The businesses which have been awarded tax incentives by the NJEDA in the Township include:

<u>Business</u>	<u>Award Amount</u>	<u>Total Eligible Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs (At Risk Job)</u>
BAYADA Home Health Care, Inc.	\$18,441,120	\$11,502,955	162	357
Princeton Tectonics	18,315,000	3,650,220	156	95
Stoncor Group Incorporated	9,987,500	11,200,483	75	85
Edison Lithographing & Printing	8,075,000	4,420,000	95	0
Virtua-West Jersey Health	7,228,360	4,689,973	77	136
Microcision LLC	7,000,000	969,052	70	0
LiDestri Foods, Inc.	6,247,500	6,764,525	60	27
Dicalite Management Group, Inc.	3,780,000	8,850,000	36	0
SodaStream USA, Inc.	3,527,500	1,269,000	26	31
Stay Fresh Foods, LLC	3,400,000	4,745,000	40	0
Berry & Homer, Inc.	3,145,000	1,150,500	37	0

<u>Business</u>	<u>Award Amount</u>	<u>Total Eligible Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs (At Risk Job)</u>
Barry Callebaut USA LLC	2,730,000	5,250,000	26	0
Material Handling Supply, Inc.	1,852,500	3,975,000	0	57
Audio and Video Labs, Inc.	1,475,500	3,629,068	25	0
RedHawk Distribution, Inc.	1,275,000	380,000	30	0

Source: New Jersey Economic Development Authority [http://www.njeda.com/pdfs/reports/Approved\\_GrowNJ\\_EOA.aspx](http://www.njeda.com/pdfs/reports/Approved_GrowNJ_EOA.aspx)

The Township, in cooperation with the CCIA, has undertaken the redevelopment of an approximately 35-acre tract at the intersection of Routes 73, 130 and 90 (“Crossroads Site”) pursuant to which the Township and the CCIA have acquired and prepared the Crossroads Site for commercial and residential redevelopment. On April 7, 2016, the CCIA sold a 31-acre residential portion of the Crossroads Site to Renaissance Partners, LLC (the “Redeveloper”). The Redeveloper is expected to construct residential apartment units, a club house and associated site improvements.

### **White Horse Pike Corridor:**

New housing is under construction along the White Horse Pike section of Clementon Borough. The first 50 units of a 200 unit town-house complex are underway. This residential project is part of a multimillion dollar redevelopment project to bring mixed-use development to the Borough.

In Somerdale Borough, “CooperTowne Business District” is a renamed industrial complex that is now focusing on redevelopment. The borough recently added Flying Fish Brew Company to the business district. Flying Fish Brew Company is located immediately adjacent to the retail complex, and its opening demonstrates the value of the redevelopment efforts and the positive outgrowth to other areas in town and throughout the White Horse Pike corridor.

### **Voorhees Township:**

The Route 73 corridor continues to see major development projects. The Virtua Health System Voorhees Campus continues to drive the growth of the corridor. New support services for the hospital have developed, including a 110 room hotel. In addition to hotels, assisted living facilities continue to grow in the area. A recently constructed senior care facility was completed along with a major physical therapy center. Samaritan Hospice is constructing an inpatient hospice facility adjacent to the Virtua campus which will add to the “Medical Mile” as another key anchor for the corridor. As the medical facilities grow so do retail facilities along the corridor. New stores and restaurants continue to open.

The Comar Holding Company was awarded a tax incentive by the NJEDA in the amount of \$850,000 which is expected to create approximately 118 new jobs in the Township.

### **Winslow Township:**

The Camden County Municipal Utilities Authority completed a \$50 million dollar construction project to provide 25 miles of sewer pipelines. This project has allowed the township to jumpstart new projects including a new 30,000 square foot CarMax used car super store to be located along Cross Keys road. In addition, new housing opportunities and retail projects have all gained momentum with the completion of the sewer project.

Other businesses which have been awarded tax incentives by the NJEDA in the Township include:

<u>Business</u>	<u>Award Amount</u>	<u>Total Eligible Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs (At Risk Jobs)</u>
The Eggo Company	\$9,440,000	\$85,500,000	118	0
United Asphalt Company	1,312,500	1,032,500	8	19

Source: New Jersey Economic Development Authority [http://www.njeda.com/pdfs/reports/Approved\\_GrowNJ\\_EOA.aspx](http://www.njeda.com/pdfs/reports/Approved_GrowNJ_EOA.aspx)

### ***Net Assessed Valuation by Classification of Real Property***

<u>Type of Real Property</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Residential	\$27,826,232,162	\$27,934,100,590	\$27,824,383,357	\$26,849,463,048	\$26,848,572,226
Apartment	1,386,627,600	1,343,744,100	1,374,146,900	1,355,101,500	1,339,303,900
Commercial	5,652,617,887	5,599,987,634	5,549,057,027	5,269,721,727	5,300,895,653
Industrial	866,861,700	861,031,200	832,557,600	796,537,400	803,488,300
Farm	54,511,559	61,556,559	72,316,129	65,516,229	68,218,600
Vacant Land	<u>492,328,650</u>	<u>478,036,750</u>	<u>487,463,050</u>	<u>470,578,538</u>	<u>473,214,239</u>
Sub-Total	36,279,179,558	36,278,456,833	36,139,924,063	34,806,918,442	34,833,692,918
Exempt: Public <sup>(1)</sup>	4,301,268,773	4,275,375,573	3,887,544,771	3,687,115,171	3,675,825,371
Other <sup>(2)</sup>	<u>3,248,694,390</u>	<u>3,261,722,390</u>	<u>3,511,329,840</u>	<u>3,431,191,940</u>	<u>3,439,556,040</u>
Total Assessed Valuation of Real Property	<u><b>\$43,829,142,721</b></u>	<u><b>\$43,815,554,796</b></u>	<u><b>\$43,538,798,674</b></u>	<u><b>\$41,925,225,553</b></u>	<u><b>\$41,949,074,329</b></u>

<sup>(1)</sup> Includes school, municipal, County, State and federal properties.

<sup>(2)</sup> Includes private and denominational schools and colleges, church and charitable properties, and properties exempt under the Fox-Lance tax abatement program.

Source: Tax duplicates for years shown for each municipality located in the County's Abstract of Ratables for the years shown.

### ***Net Assessed and Equalized Valuations of Real and Personal Property***

<u>Net Assessed Valuation:</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Real Property <sup>(1)</sup>	\$36,279,179,558	\$36,278,466,833	\$36,139,924,063	\$34,806,918,442	\$34,833,692,918
Personal Tangible Property <sup>(2)</sup>	<u>92,926,630</u>	<u>93,233,443</u>	<u>94,416,999</u>	<u>93,098,192</u>	<u>108,247,043</u>
Total Net Assessed Valuation:	36,372,106,188	36,371,700,276	36,234,341,062	34,900,016,634	34,941,939,961
Percentage Increase over Previous Year	0.0011	0.3791	0.0382	-0.0012	0.1284
Equalized Valuation <sup>(3)</sup>	<u><b>\$37,763,560,647</b></u>	<u><b>\$37,296,017,018</b></u>	<u><b>\$36,820,011,052</b></u>	<u><b>\$37,266,969,933</b></u>	<u><b>\$37,528,970,405</b></u>

<sup>(1)</sup> Net assessed valuation after deductions permitted under State statutes.

<sup>(2)</sup> Composed of "machinery implements and equipment" of telephone, telegraph and messenger systems.

<sup>(3)</sup> As equalized by the County.

Source: The County Abstract of Ratables for each of the years shown.

## ***COUNTY DEBT INFORMATION***

### ***General Information***

The State has enacted certain statutes regulating the authorization and issuance of debt by governmental units. The statutory gross debt must include all debt authorized plus all debt issued which remains outstanding. Debt, bonds or notes, which have been refunded, and payment for which is made from escrowed U.S. Treasury securities or other permitted investments, is considered defeased. However, any debt which is self-supporting or which is payable from other sources may be deducted from the statutory gross debt to arrive at the amount of statutory net debt. The statutory net debt figure is the amount used to determine whether a local governmental unit is within the limit of its statutory borrowing power.

Subject to certain exceptions, the County's debt incurring power is limited by State statute to 2.00% of the equalized valuation, determined annually by the State, of all taxable property within the County (see "-Statutory Borrowing Power" below). The County's general purpose bonds must be issued in serial form with the first principal payment to occur within one year of an issue's date and the final maturity not to exceed the weighted average useful life of the capital improvement(s) funded with the proceeds of such general purpose bonds. Subject to certain exceptions, general purpose bonds must be sold on a competitive bid basis and the amount bid for a bond issue may not exceed \$1,000 above or be less than the principal amount of a bond issue. Except in certain instances, refunding bonds may be sold, at public or private sale, with the approval of the New Jersey Local Finance Board (the "LFB"). Notes may be sold on a competitive, negotiated, or private sale basis for a period of one year, and may be renewed annually, but the final maturity may not exceed the first day of the fifth month immediately following the end of the tenth fiscal year following the original date of issuance.

### ***Appropriation Not Required for Payments on Debt***

It is not necessary to have an appropriation in order to release money for debt service on obligations. N.J.S.A. 40A:4-57 provides that "No officer, board, body or commission shall, during any fiscal year, expend money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose." N.J.S.A. 40A:2-4 provides that "The power and obligation of a local government unit to pay any and all bonds and notes issued by it pursuant to this Chapter, or any act of which this Chapter is a revision, shall be unlimited..."

### ***Limitation on Tax Levy/Appropriations***

Chapter 68 of the Pamphlet Laws of 1976 (N.J.S.A. 40A:4-45.1, et seq.), as amended and supplemented (the "CAP law"), imposes restrictions which limit the allowable increase in the County's tax levy/appropriations over the previous year's tax levy/appropriations to the lesser of 2.5% or the increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services as published by the United States Department of Commerce (the "Cost-of-Living Adjustment"). If the Cost-of-Living Adjustment is equal to or less than 2.5%, an increase up to 3.5% will be permitted upon adoption by the County of a resolution after public notice and a public hearing. This limitation does not apply to: (i) all debt service payments; (ii) the amount of revenue generated by the increase in valuations within the County based solely on applying the preceding year's County tax rate to the apportionment valuation of new construction or improvements within the County and such increase shall be levied in direct proportion to said valuation; (iii) capital expenditures funded by any source; (iv) an increase involving certain defined categories of emergency temporary appropriations as approved by the LFB in certain cases; (v) amounts required to be paid pursuant to any contract between the County and any political subdivision or public body in connection with the provision and/or financing of projects for certain public purposes such as water, sewer, solid waste, parking, senior citizens' housing (subject to the review and approval of the LFB) or any

similar purpose; or (vi) that portion of the County tax levy which represents funding to participate in any federal or State aid program and amounts received or to be received from federal, State or other funds in reimbursement for local expenditures.

Additionally, legislation constituting P.L. 2007, c.62, effective April 3, 2007, imposed a 4% cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for debt service and capital lease payments to county improvement authorities, increases to replace certain lost state aid, increases in certain pension contributions, increases in the reserve for uncollected taxes required for municipalities, and certain increases in health care costs over 4%. The LFB may approve waivers for certain extraordinary costs identified by statute and voters may approve increases over 4% not otherwise permitted by a vote of 60% of the voters voting on a public question.

Additionally, legislation constituting P.L. 2010, c.44, effective July 13, 2010, reduces the 4% cap on the tax of a municipality, county and school district to 2%, with certain exceptions, including increases required to be raised for debt service, for pension contributions and accrued liability for pension contributions in excess of 2%, for 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% of the total health care costs in the prior year, subject to certain other limitations, and extraordinary costs incurred by a local unit directly related to a declared emergency. The voters may approve increases over 2% not otherwise permitted by a vote of a majority of the voters voting on a public question.

The CAP law does not limit 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.

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**Statutory Debt Information (as of December 31, 2017)**

	<u>Gross</u>	<u>Deduction</u>	<u>Net</u>
Total Gross Debt	\$675,107,503		
Total Deductions		\$284,936,639	
<b>Total Net Debt December 31, 2017:</b>			<b><u>\$390,170,864</u></b>

Source: Camden County.

**Statutory Borrowing Power (as of December 31, 2017)**

Three-Year Average Equalized Valuation <sup>(1)</sup> .....	\$37,322,336,994
Statutory Borrowing Power <sup>(2)</sup> .....	746,446,740
Statutory Net Debt.....	390,170,864
Remaining Statutory Borrowing Power.....	356,275,876
Debt Ratios:	
Statutory Net Debt to Previous Three-Year Average Equalized Valuation.....	1.045%
Statutory Net Debt Per Capita (Population - 513,657) <sup>(3)</sup> .....	\$759.59

<sup>(1)</sup> Average for three years (2017, 2016 and 2015) as calculated by the State.

<sup>(2)</sup> 2.00% of the three-year average equalized valuation.

<sup>(3)</sup> Based on the 2010 Census.

Source: Camden County.

**Trend of Statutory Remaining Borrowing Power (as of December 31, 2017)**

<u>Year</u>	<u>Equalized Valuation<sup>(1)</sup></u>	<u>Statutory Borrowing Power<sup>(2)</sup></u>	<u>Bonds Outstanding<sup>(3)</sup></u>	<u>Notes Outstanding</u>	<u>Deductions<sup>(4)</sup></u>	<u>Direct Net Debt Outstanding</u>	<u>Authorized But Unissued Debt</u>	<u>Remaining Statutory Borrowing Power</u>
2017	\$37,322,336,994	\$746,446,740	\$351,091,900	\$35,461,125	\$8,342,385	\$378,210,640	\$11,960,225	\$356,275,876
2016	36,978,324,155	739,566,483	349,819,957	-0-	9,347,201	340,472,756	35,665,125	363,428,602
2015	36,881,183,335	737,623,667	304,698,014	-0-	12,761,633	291,936,381	204,000	445,483,286
2014	37,194,237,025	743,884,741	259,538,219	-0-	15,276,822	244,261,397	204,000	499,419,344
2013	38,298,871,360	765,977,427	229,956,352	-0-	13,774,588	216,181,764	3,909,000	545,886,663
2012	39,506,719,855	790,134,397	207,083,144	-0-	10,684,251	196,398,893	16,704,000	593,735,504
2011	40,623,454,735	812,469,095	204,097,877	-0-	12,448,718	191,649,159	25,204,000	620,819,936
2010	41,549,066,998	830,981,340	190,058,610	-0-	11,203,142	178,855,468	25,204,000	652,125,872
2009	41,671,790,361	833,435,807	97,099,403	-0-	9,587,622	87,511,781	-0-	745,924,026
2008	40,370,492,792	807,409,856	81,287,813	-0-	11,896,209	69,391,604	4,000,000	734,018,252

<sup>(1)</sup> Three-year average equalized valuation as calculated by the State.

<sup>(2)</sup> 2.00% of the State's three-year average equalized valuation.

<sup>(3)</sup> Represents statutory net direct bonded debt issued and authorized plus bonded debt issued for County College purposes.

<sup>(4)</sup> Includes other notes receivable and cash held by the County pledged to the payment of debt, early retirement refunding bonds and the outstanding portion of CCIA County College Bonds on which the State pays a portion of the annual debt service.

Source: Camden County.

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*Trend of Permanent Direct Debt Issued by the County*

<b><u>Year Ending December 31</u></b>	<b><u>Outstanding Permanent Debt</u><sup>(1)(2)</sup></b>
2017	\$378,210,640
2016	340,472,756
2015	291,936,381
2014	244,261,397
2013	216,181,764
2012	196,398,893
2011	191,649,159
2010	178,855,468
2009	87,511,781
2008	69,391,604

<sup>(1)</sup> Excludes (i) permanent debt for which there are accounts receivable or funds on hand pledged to the payment thereof and (ii) pension refunding bonds.

<sup>(2)</sup> Excludes Authorized But Unissued Debt.

Source: Camden County.

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**Schedule of Annual Debt Service Requirements on the County's Tax Supported Debt  
(as of December 31, 2017))**

Year	<u>County General Obligation Bond Debt Service<sup>(1)</sup></u>			<u>CCIA Debt Service Paid by the County Under a Lease or Loan Agreement<sup>(1)(2)(3)</sup></u>			<u>Combined County Tax Supported Debt<sup>(1)(2)(3)</sup></u>		
	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service
2018	2,172,500	785,705	2,958,205	24,533,201	15,840,562	40,373,762	26,705,701	16,626,267	43,331,967
2019	2,500,000	731,781	3,231,781	24,587,331	15,430,311	40,017,642	27,087,331	16,162,092	43,249,423
2020	2,827,500	668,388	3,495,888	23,624,459	14,414,638	38,039,097	26,451,959	15,083,026	41,534,985
2021	2,815,000	600,133	3,415,133	24,658,870	13,348,132	38,007,002	27,473,870	13,948,264	41,422,134
2022	1,882,500	527,925	2,410,425	25,054,365	12,070,274	37,124,639	26,936,865	12,598,199	39,535,064
2023	1,932,500	473,681	2,406,181	24,981,952	10,831,848	35,813,800	26,914,452	11,305,529	38,219,981
2024	1,712,500	418,631	2,131,131	26,284,539	9,619,933	35,904,472	27,997,039	10,038,564	38,035,603
2025	1,760,000	363,253	2,123,253	27,477,126	8,339,245	35,816,370	29,237,126	8,702,498	37,939,624
2026	1,807,500	303,678	2,111,178	25,210,712	7,075,708	32,286,421	27,018,212	7,379,386	34,397,599
2027	1,867,500	240,281	2,107,781	18,974,582	6,083,731	25,058,313	20,842,082	6,324,012	27,166,094
2028	1,552,500	180,234	1,732,734	15,453,169	5,265,727	20,718,895	17,005,669	5,445,961	22,451,630
2029	1,605,000	123,456	1,728,456	15,231,755	4,533,634	19,765,389	16,836,755	4,657,090	21,493,846
2030	1,187,500	70,339	1,257,839	12,170,342	3,860,276	16,030,618	13,357,842	3,930,615	17,288,457
2031	1,087,500	23,220	1,110,720	12,703,929	3,248,460	15,952,389	13,791,429	3,271,680	17,063,109
2032	-	-	-	12,002,233	2,640,068	14,642,301	12,002,233	2,640,068	14,642,301
2033	-	-	-	6,330,537	2,180,397	8,510,935	6,330,537	2,180,397	8,510,935
2034	-	-	-	5,725,000	1,871,976	7,596,976	5,725,000	1,871,976	7,596,976
2035	-	-	-	5,955,000	1,567,049	7,522,049	5,955,000	1,567,049	7,522,049
2036	-	-	-	6,195,000	1,251,140	7,446,140	6,195,000	1,251,140	7,446,140
2037	-	-	-	6,440,000	929,778	7,369,778	6,440,000	929,778	7,369,778
2038	-	-	-	4,885,000	596,487	5,481,487	4,885,000	596,487	5,481,487
2039	-	-	-	5,070,000	340,242	5,410,242	5,070,000	340,242	5,410,242
2040	-	-	-	3,770,000	104,972	3,874,972	3,770,000	104,972	3,874,972
2041	-	-	-	-	-	-	-	-	-
	26,710,000	5,510,706	32,220,706	357,319,102	141,444,587	498,763,688	384,029,102	146,955,293	530,984,395

- (1) General Obligation and CCIA debt service is net of payments from the State of New Jersey pursuant to the provisions of the County College Bond Act, P.L. 1971, c. 12 (N.J.S.A. 18A:64A-22.1 et seq.), as amended.
- (2) CCIA debt service excludes the federal subsidies associated with the outstanding \$16,065,000 County Guaranteed Loan Revenue Bonds (County Capital Program), 2009 Series A (Federally Taxable - Issuer Subsidy - Build America Bonds), \$4,720,000 General Obligation Revenue Bonds (Camden County College Project), 2010 Series A-2 (Federally Taxable - Issuer Subsidy - Build America Bonds), \$17,090,000 General Obligation Revenue Bonds (Camden County College Project), 2010 Series A-3 (Federally Taxable - Issuer Subsidy - Recovery Zone Economic Development Bonds) and \$11,955,000 County Guaranteed Loan Revenue Bonds, Series 2010 (Federally Taxable - Issuer Subsidy - Recovery Zone Economic Development Bonds).
- (3) CCIA debt service excludes \$10,740,000 County-Guaranteed Open Space Trust Fund Revenue Refunding Bonds, Series 2012 and \$5,690,000 County-Guaranteed Open Space Trust Fund Revenue Bonds, Series A of 2012 which are paid through the County Open Space Tax.

## **COUNTY LITIGATION**

From time to time, the County is the subject of litigation initiated by plaintiffs seeking monetary judgments against the County. When the County is determined to be liable in such instances, the judgment against the County generally is paid from self-insurance funds and/or applicable liability insurance policies maintained by the County (see “County Insurance Programs” under the general heading “SUMMARY OF LABOR RELATIONS, BENEFITS AND INSURANCE” herein).

## **AUTHORITIES OF THE COUNTY**

Under laws creating authorities, a local governmental unit may enter into a contract or agreement to borrow funds from an authority or, under a guaranty or deficiency type of agreement, guarantee debt service payments on debt issued by an authority. If a local governmental unit borrows funds from an authority, such borrowing is not included in a local governmental unit’s statutory gross debt. If a local governmental unit guarantees all or any part of an authority’s outstanding debt, the portion of debt service not payable from an authority’s revenues and which is guaranteed by a local governmental unit must be included in a local governmental unit’s statutory net debt amount.

The County has created three County-wide authorities: the Camden County Municipal Utilities Authority, The Camden County Improvement Authority and the Pollution Control Financing Authority of Camden County (collectively the “Authorities”). A description of each Authority and its respective outstanding debt is set forth below.

***The following information applies to each of the Authorities and should be noted. None of the Authorities has the power to levy or collect taxes. The debt issued by any one of the Authorities is neither a debt nor a liability of the State, the County (except to the extent of any deficiency agreement or guaranty or other agreement), nor any other political subdivision of the State, except the respective Authority, and does not and shall not create or constitute any indebtedness of the State, the County (except to the extent of any deficiency agreement or guaranty or other agreement), or any other political subdivision of the State, except the respective Authority.***

### ***Camden County Municipal Utilities Authority***

The Camden County Municipal Utilities Authority (“CCMUA”) is a public body corporate and politic of the State and was originally created as the Camden County Sewerage Authority (“Sewerage Authority”) by a resolution of the County adopted on December 5, 1967. The Sewerage Authority was reorganized in 1972 as a utilities authority and changed its name to the Camden County Municipal Utilities Authority pursuant to a resolution of the County adopted on April 13, 1972. The CCMUA operates under the supervision of nine commissioners who are appointed by the Board for five-year staggered terms. The County has entered into a deficiency agreement with the CCMUA (“Deficiency Agreement”) whereby the County is obligated to pay to the CCMUA any annual charges equal to any deficits in CCMUA revenues necessary to pay or provide for: (i) operation and maintenance expenses of the CCMUA’s regional sewer system, (ii) principal and interest payments on bonds and notes of the CCMUA in an aggregate principal amount not to exceed \$685,500,000, and (iii) the maintenance of reserves required under the bond resolution securing the CCMUA’s bonds and notes. The obligation of the County pursuant to the provisions of the Deficiency Agreement is a direct and general obligation of the County, and any annual charges are ultimately payable by the County from the levy of *ad valorem* taxes on all the taxable real property within the jurisdiction of the County in amounts sufficient to enable the County to meet its obligations under the Deficiency Agreement. ***To date, no payments have been required to be made by the County pursuant to the Deficiency Agreement.*** The County and the CCMUA may agree to amend the Deficiency Agreement at any time to increase the obligations of the County thereunder.

The CCMUA owns and operates a sewage collection and treatment system which serves all County residents connected to local sewer collection systems. The CCMUA's system does not include the local sewage collection system of any CCMUA participant, but it owns and operates interceptor sewer lines connecting the local systems to the CCMUA's sewage treatment facilities.

The CCMUA is required to charge and collect service charges for the use of its facilities such that revenues of the CCMUA will at all times be adequate to pay all operating and maintenance expenses, including reserves, insurance, extensions and replacements, and to pay punctually the principal of and interest on any bonds and notes of the CCMUA and to maintain reserves and sinking funds therefor as may be required by the terms of any agreements with the holders thereof.

The gross debt as of December 31, 2017 for the CCMUA was \$171,431,116. The County guarantees up to \$685,500,000 of debt issued by the CCMUA.

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**CCMUA'S Outstanding Debt (as of December 31, 2017)**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Final Maturity Date</u>	<u>Amount Outstanding</u>
Sewer Revenue Bonds Series 2006A	3.45-4.05%	10-11-06	07-15-26	<u>\$2,840,000</u>
County Agreement Sewer Revenue Capital Appreciation Bonds <sup>(1)</sup>				
1990 A Series	6.80-7.35%	02-21-90	09-01-19	<u>19,732,350</u>
New Jersey Environmental Infrastructure Trust Program (Trust Loan Bonds):				
Refunding Series 2006A	5.00-5.25%	06-22-06	08-01-20	852,827
Refunding Series 2006A	5.00-5.25%	06-22-06	08-01-20	800,504
Series 2008A	5.00-5.25%	11-08-08	08-01-18	305,000
Series 2010A	5.00%	03-20-10	08-01-18	100,000
Series 2010A Refunding Series 2003A	4.00-5.00%	08-18-10	08-01-23	579,729
Series 2010A Refunding Partial Series 2006A	2.14%	08-18-10	08-01-24	609,100
Series 2010B	5.00%	12-02-10	08-01-19	440,000
Series 2012A	3.00-5.00%	05-03-12	08-01-31	12,595,000
Series 2012A	3.00-5.00%	05-03-12	08-01-31	930,000
Series 2012A-R Refunding Partial Series 2006A	3.125-4.00%	08-14-12	08-01-26	4,830,988
Series 2013A	3.00-5.00%	05-03-13	08-01-32	1,600,000
Series 2015A-1 (14)	3.00-5.00%	05-27-15	08-01-34	1,235,000
Series 2015A-1 (10)	3.00-5.00%	05-27-15	08-01-32	325,000
Series 2015A-R1 Refunding Series 2007A	3.00-5.00%	11-24-15	08-01-27	1,743,000
Series 2015A-2 (06)	3.00-5.00%	11-24-15	08-01-30	345,000
Series 2015A-2 (14)	3.00-5.00%	11-24-15	08-01-34	100,000
Series 2016A-R1 Refunding Series 2008A	4.50-5.00%	05-10-16	08-01-28	3,641,000
Series 2016A-R2 Refunding Series 2010B	4.50-5.00%	05-10-16	08-01-30	3,031,000
Series 2017A-R2 Refunding Series 2010A	4.00%	01-31-17	08-01-29	1,356,000
Series 2017A-1 (Green Bonds)	3.00-5.00%	05-25-17	08-01-46	<u>1,370,000</u>
Total for Trust				<u>36,789,148</u>
New Jersey Environmental Infrastructure Trust Program (Fund Loan Bonds):				
Series 2000	0%	11-09-00	08-01-20	401,205
Series 2000	0%	11-09-00	08-01-18	93,774
Series 2003	0%	11-06-03	08-01-23	1,210,730
Series 2006 B	0%	11-09-06	08-01-25	11,633,597
Series 2007 B	0%	11-08-07	08-01-27	4,479,578
Series 2008 B	0%	11-06-08	08-01-28	9,803,638
Series 2010 A	0%	03-20-10	08-01-29	1,330,715
Series 2010 B	0%	03-20-10	08-01-30	10,172,829
Series 2012A (PF)	0%	05-03-12	08-01-31	30,213,257
Series 2012A (CW)	0%	05-03-12	08-01-31	2,642,500
Series 2013A	0%	09-01-13	08-01-32	3,920,714
Series 2015A-1 (14)	0%	05-27-15	08-01-34	2,006,672
Series 2015A-1 (10)	0%	05-27-15	08-01-32	843,464
Series 2015A-2 (06)	0%	11-24-15	08-01-30	1,027,897
Series 2015A-2 (14)	0%	11-24-15	08-01-34	288,924
Series 2017A-1	0%	05-25-17	08-01-46	<u>3,000,174</u>
Total for Fund				<u>83,069,668</u>
Webster Public Finance Corporation / Tax-Exempt Subordinate Temporary Funding Notes, Series A of 2017	2.044%	07-05-2017	08-02-2018	24,000,000
Webster Public Finance Corporation / Taxable Subordinate Temporary Funding Notes, Series B of 2017	2.920%	07-05-2017	08-02-2018	<u>5,000,000</u>
Total Debt Outstanding:				<u>\$ 171,431,166</u>

<sup>(1)</sup> On February 21, 1990, the CCMUA issued \$115,830,387 County Agreement Sewer Revenue Capital Appreciation Bonds, 1990 A Series and \$121,677,019 County Agreement Sewer Revenue Capital Appreciation Bonds, 1990 B Series. A majority of the proceeds were utilized to: refund or pay a portion of the principal of and interest on the 1987 Sewer Revenue Bonds and the New Jersey Environmental Infrastructure Trust Program Fund Loan Bonds; permanently finance certain projects through the redemption in whole of the \$109,000,000 1987 Bond Anticipation Notes; make a deposit in the Debt Service Reserve Fund; and pay the expenses incurred in connection with the issuance of the 1990 B Bonds, including the payment of a municipal bond insurance premium.

As security for the CCMUA's payment obligations on the 1990 A Bonds and the 1990 B Bonds, the bond resolution creates a senior lien on and grants a security interest in the gross revenue of the CCMUA, investment earnings and other cash receipts. Interest on the 1990 A Bonds and the 1990 B Bonds will not be paid semiannually, but only upon maturity or earlier acceleration (capital appreciation bonds). Such interest accrues from the date of issuance and compounds semiannually.

The amounts outstanding reflect carrying values as of December 31, 2017.

Source: CCMUA

### *The Camden County Improvement Authority*

The Camden County Improvement Authority ("CCIA") is a public body corporate and politic of the State and was created by a resolution of the Board, adopted on March 20, 1979. The CCIA operates under the supervision of five members who are appointed by the Board for five-year staggered terms. The following table identifies those CCIA transactions in which the payment of debt service is secured either by payments pursuant to a County lease or loan agreement and/or a County guaranty. The CCIA has undertaken other bond issues; however, repayment of the debt in those transactions is secured by sources other than the County.

The CCIA has never failed to make timely payment of the principal of and/or interest on any of the bonds, notes or obligations described below.

The County has never failed to make timely payment of any payment obligations due pursuant to an agreement with the CCIA and pledged by the CCIA as security for CCIA bonds. **The County has never been required to make a payment pursuant to its guaranty of CCIA bonds or notes.**

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**CCIA'S DEBT UNDER A LEASE OR LOAN AGREEMENT WITH  
THE COUNTY OR GUARANTEED BY THE COUNTY  
(as of December 31, 2017) (Unaudited)**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>Final Maturity Date</u>	<u>Amount Outstanding</u>
Outstanding Debt:				
General Obligation Revenue Bonds (Camden County College Project), Series 2008	4.125-4.40%	06-24-08	03-01-18	\$425,000
County Guaranteed Loan Revenue Bonds (County Capital Program), Series 2008	3.80-5.50%	12-17-08	01-15-19	3,710,000
County Guaranteed Loan Revenue Bonds (County Capital Program), 2009 Series A (Federally Taxable – Issuer Subsidy- Build America Bonds)	3.88-6.18%	12-02-09	01-15-27	14,850,000
General Obligation Revenue Bonds (Camden County College Project), Series 2010A-2 (Federally Taxable – Issuer Subsidy- Build America Bonds)	3.391-5.767%	12-16-10	02-15-23	4,135,000
General Obligation Revenue Bonds (Camden County College Project), Series 2010A-3 (Federally Taxable – Issuer Subsidy- Recovery Zone Economic Development Bonds)	6.782-7.082%	12-16-10	02-15-40	17,090,000
County-Guaranteed Loan Revenue Bonds, Series 2010 (Federally Taxable - Recovery Zone Economic Development Bonds)	3.89-6.28%	12-29-10	02-15-25	10,780,000
County Guaranteed Lease Revenue Refunding Bonds, Series A of 2011 <sup>(1)</sup>	3.00-4.00%	09-28-11	09-01-21	2,735,000
County Guaranteed Loan Revenue Bonds (County Capital Program), Series 2011	2.375-5.00%	12-23-11	01-15-26	19,775,000
County-Guaranteed Open Space Trust Fund Revenue Refunding Bonds, Series 2012	2.00-5.00%	05-17-12	06-01-23	9,330,000
County Guaranteed Lease Revenue Bonds (Camden County Technical Schools Energy Savings Improvement Program), Series 2012 <sup>(2)</sup>	2.00-4.00%	08-15-12	08-15-27	5,750,000
County Guaranteed Lease Revenue Refunding Bonds, Series A of 2012	3.00-5.00%	10-11-12	09-01-22	10,635,000
County Guaranteed Loan Revenue Bonds (County Capital Program), Series A of 2012	2.50-4.00%	11-13-12	01-15-28	5,485,000
County Guaranteed Taxable Loan Revenue Bonds (Clementon Redevelopment Project), Series B of 2012	1.25-2.60%	11-13-12	01-15-19	840,000
County-Guaranteed Open Space Trust Fund Revenue Bonds, Series A of 2012	2.25-4.00%	11-20-12	06-01-27	\$5,260,000
General Obligation Revenue Bonds (Camden County College Project), Series 2013	2.00-4.00%	04-23-13	02-15-33	10,920,000
County Guaranteed Loan Revenue Bonds (County Capital Program) Series 2013	3.00-5.00%	12-12-13	01-15-29	10,670,000

<u>Purpose</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>Final Maturity Date</u>	<u>Amount Outstanding</u>
County Guaranteed Loan Revenue Bonds (Crossroads Redevelopment Project) Series 2014 (Taxable)	1.258-4.942%	07-15-14	07-15-37	20,800,000
County Guaranteed Lease Revenue Refunding Bonds, Series A of 2014 <sup>(3)</sup>	3.00-4.00%	10-10-14	12-15-25	15,720,000
County Guaranteed Loan Revenue Bonds (County Capital Program) Series 2014	3.00-5.00%	12-18-14	01-15-31	13,255,000
County Guaranteed Revenue Bond (The Battleship New Jersey Project) Series 2015 <sup>(2)</sup>	2.87%	06-15-15	12-01-25	1,280,000
County Guaranteed Lease Revenue Refunding Bonds (County Capital Program), Series 2015	3.00-5.00%	06-18-15	09-01-27	11,860,000
County Guaranteed Lease Revenue Refunding Bonds (County College Project), Series 2015	3.00-5.00%	06-18-15	01-15-26	13,340,000
County Guaranteed Revenue Bonds (Camden Stadium Project), Series 2015 <sup>(2)</sup>	4.34%	08-07-15	07-15-35	4,850,000
County Guaranteed Loan Revenue Bonds (County Capital Program), Series A of 2015	5.00%	12-23-15	01-15-40	38,375,000
County Guaranteed Loan Revenue Refunding Bonds, Series B of 2015	2.00-5.00%	12-23-15	01-15-21	10,955,000
County Guaranteed Lease Revenue Refunding Bonds, Series 2016	2.00-5.00%	06-09-16	01-15-27	23,335,000
County Guaranteed Lease Revenue, Series 2016	2.00-5.00%	11-17-16	01-15-32	59,235,000
County Guaranteed Loan Revenue Bonds (County Capital Program), Series A of 2017	2.00-5.00%	11-15-17	01-15-39	20,355,000
County Guaranteed Loan Revenue Refunding Bonds, Series B of 2017	3.00-5.00%	11-15-17	01-15-29	24,510,000
Total Debt Outstanding:				<b><u>\$390,260,000</u></b>

<sup>(1)</sup> On November 9, 2011, the County sold to the Camden County College (“County College”) the Regional Emergency Training Center located on approximately 40 acres of land in Gloucester Township which was financed and/or refinanced, in part, with the proceeds of the CCIA’s Bonds and the County assigned to the County College its outstanding Lease Payment obligations relating thereto pursuant to the terms of an Assignment and Assumption of Lease Agreement (Limited).

<sup>(2)</sup> Paid by sources other than the County but for which the County has provided a guaranty for the payment of principal of and interest, when due.

<sup>(3)</sup> \$3,887,000 of the County Guaranteed Lease Revenue Refunding Bonds, Series A of 2014 is paid by the Borough of Audubon (\$3,530,000) and the Borough of Mount Ephraim (\$357,000).

Source: The CCIA and the County.

In addition to the CCIA bond transactions listed in the table above, on October 21, 2004, the County entered into an Intergovernmental Reimbursement Agreement (“Reimbursement Agreement”), by and between the County and the CCIA, pursuant to the terms of which the County agreed to satisfy in their entirety the obligations of the CCIA to repay the principal of and interest on a loan in the original aggregate principal amount of \$1,000,000 advanced by the Delaware River Port Authority (“DRPA”) to the CCIA in

2006, in connection with a portion of the financing necessary to construct a boathouse facility (including, without limitation, a launching dock and a viewing gallery) located on the banks of the Cooper River along North Park Drive in the Township of Pennsauken. The repayment of the loan commences 39 months after the funds were released by the DRPA, payable in quarterly installments of \$15,197.04 over 23 years. Interest accrues at 2% beginning three years after the release of funds by the DRPA. Pursuant to the terms of the Reimbursement Agreement, the obligations of the County thereunder are subject to appropriation, by the Board, of the principal of and interest on the amounts due thereunder for such respective fiscal year, during the term of such Reimbursement Agreement.

### ***Pollution Control Financing Authority of Camden County***

Pursuant to the New Jersey Pollution Control Financing Law, constituting Chapter 376 of the Pamphlet Laws of 1973 of the State of New Jersey (N.J.S.A. 40:37C-1 et seq.), as amended and supplemented (“Pollution Control Law”), and the Solid Waste Management Act, constituting Chapter 39 of the Pamphlet Laws of 1970 of the State of New Jersey (N.J.S.A. 13:1E-1 et seq.), as amended and supplemented (“Solid Waste Management Act”), the State Legislature initiated a comprehensive statutory mechanism for the management of solid waste disposal in the State. Subsequently, as a result of certain rulings, the management of solid waste disposal within the State changed. See “The Atlantic Coast Decision of the United States Court of Appeals for the Third Circuit” below.

Acting pursuant to the Pollution Control Law, the Board established the Pollution Control Financing Authority of Camden County (“PCFA”) which implemented a County-wide solid waste disposal and resource recovery system, consisting of two primary components.

The first component is a 1,050 ton-per-day mass burn, waste-to-energy, facility, located in Camden City (“Resource Recovery Facility”). The Resource Recovery Facility was constructed and is owned and operated by Camden County Energy Recovery Associates, L.P. (“Partnership”), a New Jersey limited partnership. Prior to August 19, 2013, the general partner of the Partnership was a second-tier wholly-owned subsidiary of Foster Wheeler Ltd. On August 19, 2013, the prior general partner sold its partnership interest in the Partnership to a subsidiary of Covanta Energy Corporation.

Two solid waste franchises were granted by the New Jersey Department of Environmental Protection (“NJDEP”), which franchises, when granted, collectively required the disposal and processing of the municipal solid waste generated in each municipality within the County to occur at the Resource Recovery Facility and the Landfill (as hereinafter defined). The disposal and processing of the solid waste generates electrical energy, which is sold by the Partnership to an electric utility pursuant to a power purchase agreement. The second component is the Pennsauken Sanitary Landfill (“Landfill”) where disposal of bypass waste and residue from the operation of the Resource Recovery Facility and disposal of construction and demolition waste take place.

### ***The Financing of the Solid Waste Management System of the County***

In order to finance the infrastructure required to implement the County’s solid waste management system, including the construction of the Resource Recovery Facility, several series of bonds were previously issued by the PCFA, all of which have been fully amortized or paid. Accordingly, there are no remaining outstanding debt obligations of the PCFA related to the implementation of the County’s solid waste management system.

Notwithstanding the foregoing, the PCFA has specific ongoing reimbursement obligations pursuant to and in accordance with that certain Emergent Funding and Reimbursement Agreement, dated November 29, 2010, between the PCFA and the State, acting by and through the NJDEP (“Reimbursement Agreement”).

Pursuant to the Reimbursement Agreement, the PCFA was permitted to utilize certain unrestricted and restricted funds of the PCFA, and the State agreed to appropriate and provide certain monies to the PCFA,



in an amount sufficient to pay the final principal payment and interest due on the PCFA's then-outstanding solid waste resource recovery revenue bonds ("Remaining Bond Payment"). Specifically, pursuant to the Reimbursement Agreement: (i) the PCFA utilized \$1,550,305.55 of available funds in its bond indenture accounts; (ii) the PCFA utilized \$3,449,694.45 of its unrestricted funds; (iii) the State provided \$2,100,000 in funds to the PCFA from funds made available pursuant to an appropriation in the Fiscal Year 2011 Appropriations Act; and (iv) pursuant to an administrative consent order executed by the Commissioner of the NJDEP, dated November 29, 2010, the PCFA was permitted to utilize \$10,106,062.50 from its Statutory Escrow Accounts ("Statutory Accounts") and \$8,000,000 from its Board of Public Utilities Closure Account ("BPU Closure Account" and together with the Statutory Accounts, the "Restricted PCFA Funds"), for the purpose of making the Remaining Bond Payment.

As a condition to the utilization of the Restricted PCFA Funds, the terms and provisions of the Reimbursement Agreement require the PCFA to provide annual reimbursement to the Restricted PCFA Funds of the amounts previously withdrawn, together with accrued interest thereon ("Total Reimbursement Amount"), in whole or in part, as applicable, by depositing certain available funds of the PCFA (including certain appropriations made by the State, if available) back into the PCFA Restricted Funds over a term of years ("NJDEP Reimbursement"). Specifically, the PCFA is required to include in its annual budget, beginning with its budget for fiscal year 2011, an amount equal to the "Estimated Net Available Funds" of the PCFA, which includes the estimated funds available for the reimbursement of the Restricted PCFA Funds, calculated as the estimated total annual gross receipts, revenues and proceeds estimated to be received by the PCFA from operations, dispositions or any other source, less all anticipated expenditures for such fiscal year, including, without limitation, all operating costs, payments on indebtedness, general and administrative expenses, and all reserves of the PCFA. On December 31 of such year, the PCFA is required to deposit into the Restricted PCFA Funds the actual amount of funds then available, together with any available appropriations made by the State to the PCFA in such year, for purposes of paying all or a portion of the Total Reimbursement Amount. Any amounts due and owing relative the Total Reimbursement Amount shall be carried over into the subsequent year until such time as the Total Reimbursement Amount is paid in full (anticipated within five (5) years from 2011).

### ***The Atlantic Coast Decision of the United States Court of Appeals for the Third Circuit***

On May 1, 1997, in Atlantic Coast Demolition & Recycling, Inc. v. Board of Chosen Freeholders of Atlantic County, 112 F.3d. 652 (3d Cir. 1997), the United States Court of Appeals for the Third Circuit held that New Jersey's solid waste management system unconstitutionally discriminates against out-of-state operators of waste disposal facilities and, therefore, violates the Commerce Clause of the United States Constitution. Certain parties in the Atlantic Coast litigation filed a petition for writ of certiorari with the United States Supreme Court seeking a review of the decision of the Third Circuit. On November 10, 1997, the United States Supreme Court denied the petition for writ of certiorari.

Based upon the Atlantic Coast decision, the method used to select and operate the Resource Recovery Facility and the Landfill as the facilities designated for the disposal of all of the solid waste generated by each municipality within the County appeared to unconstitutionally restrict interstate commerce.

On January 29, 1996, following an interim ruling in the Atlantic Coast case which invalidated regulatory flow control for certain construction and demolition waste ("C&D Waste"), the PCFA reduced tipping fees for C&D Waste delivered to the Landfill to a reduced market rate. On November 17, 1997, following the denial of certiorari by the United States Supreme Court in the Atlantic Coast case, the Partnership unilaterally reduced system tipping fees being collected by the Partnership at the Resource Recovery Facility to a level less than that imposed by the PCFA. This was a response by the Partnership to price competition and the resulting decrease in the volume of solid waste being delivered for processing at the Resource Recovery Facility. Since that time, tipping fees at the Resource Recovery Facility have been reduced and/or increased to a market competitive rate in an effort to maximize operating revenues.

## *The Response of the County to the Atlantic Coast Decision*

In an attempt to address, among other things, the structure of the County's solid waste management plan in the aftermath of the Atlantic Coast decision, on September 18, 1997, the Board adopted a resolution authorizing an amendment to the solid waste management plan of the County. The plan amendment is entitled "A Strategy for the Disposal of Solid Waste Generated Within the Camden County Solid Waste Management District and for the Satisfaction of Solid Waste Disposal Related Debt Obligations After the Implementation of the Atlantic Coast Court Decision" ("September 1997 Solid Waste Management Plan Amendment"). The September 1997 Solid Waste Management Plan Amendment directed that the PCFA procure disposal capacity using methods that comply with the laws governing public contracts and in a manner that does not discriminate against interstate commerce. Further, the PCFA was directed to continue to aggregate its disposal and administrative costs and impose a unified tipping fee on all waste collected for disposal within the County.

On November 14, 1997, the Commissioner of the NJDEP issued a certification with respect to the September 1997 Solid Waste Management Plan Amendment of the County ("NJDEP Certification"). The NJDEP granted approval with regard to that aspect of the September 1997 Solid Waste Management Plan Amendment governing the procurement of disposal capacity using methods that comply with the laws governing public contracts and in a manner that does not discriminate against interstate commerce. However, since the procurement process had not yet been completed, such NJDEP approval of this aspect of the September 1997 Solid Waste Management Plan Amendment was made contingent upon receipt by the NJDEP of a subsequent amendment or administrative action that documents the awarding of a nondiscriminatory bid contract(s).

Finally, the NJDEP determined to be unenforceable the establishment by the September 1997 Solid Waste Management Plan Amendment of flow control during the interim period between judicial abrogation of the then current disposal contracts and the completion of the procurement of new disposal capacity in a manner that does not discriminate against interstate commerce. The NJDEP has concluded that the lifting by the Third Circuit of the District Court's stay of the injunction against the enforcement of flow control precludes even this interim control of flow as anticipated by the September 1997 Solid Waste Management Plan Amendment.

For the purpose of responding to the remaining issues cited by the NJDEP Certification, on December 29, 1997, the Board adopted a resolution authorizing a further amendment to the solid waste management plan of the County. The plan amendment is entitled "A Modified Strategy for the Disposal of Solid Waste Generated within the Camden County Solid Waste Management District, Following the November 10, 1997 Implementation of the Atlantic Coast decision, and Following the New Jersey Department of Environmental Protection's Acceptance in Part, Rejection in Part and Remand in Part of Camden County Plan Amendment 81-9-97 Adopted September 18, 1997" ("December 1997 Solid Waste Management Plan Amendment"). In compliance with the NJDEP Certification, the December 1997 Solid Waste Management Plan Amendment deleted from the solid waste management plan of the County the establishment of flow control during the interim period between judicial abrogation of the disposal contracts and the completion of procurement of new disposal capacity in a manner that does not discriminate against interstate commerce.

The December 1997 Solid Waste Management Plan Amendment was submitted to the NJDEP for consideration of approval. On June 29, 1998, the Commissioner of the NJDEP issued a certification with respect to the December 1997 Solid Waste Management Plan Amendment. The NJDEP, among other things, (i) approved the deletion of the reference to the retention of regulatory flow control during the interim period prior to completion of nondiscriminatory procurement, and (ii) approved the inclusion of a strategy to complete a nondiscriminatory procurement process and to thereby regulate the flow of waste

as a market regulator (although the NJDEP stressed that separate approval of the actual results of such reprocurement will be required).

On December 5, 1997, the PCFA opened bids and proposals submitted with respect to the reprocurement by the PCFA of solid waste disposal services. For a period of time thereafter, the bids and proposals, as well as supplements thereto solicited by the PCFA during 2000, were considered by the PCFA and its professional advisors. During a portion of such period, the PCFA engaged in substantive negotiations with the Partnership, as one of the responding proposers, for the purpose of attempting to agree upon the final terms and conditions of a long-term solid waste services disposal agreement. Upon the completion of such process, the contract for the reprocurement of solid waste disposal services was awarded by the PCFA to the Partnership. Such contract between the PCFA and the Partnership (the "Reprocurement Agreement") was signed on July 25, 2001, and on such date such Reprocurement Agreement was submitted by the PCFA to the State for approval, in satisfaction of applicable statutory requirements. In response to the submission to the State by the PCFA, the State submitted questions to the PCFA via interrogatories. The PCFA responded to the interrogatories of the State on November 5, 2001 and has not received further communication from the State with regard to the Reprocurement Agreement. The period during which the State may approve or reject the Reprocurement Agreement has lapsed. The obligations of the PCFA and the Partnership pursuant to the terms of the Reprocurement Agreement were subject to the satisfaction of certain conditions precedent identified in the Reprocurement Agreement. Such conditions precedent were not satisfied by the specified date and, therefore, the Reprocurement Agreement has automatically terminated. No further reprocurement agreements were executed. The 1985 Service Agreement between the PCFA and the Partnership expired on July 1, 2011.

### ***Proposed Dissolution of the PCFA***

The County has preliminarily determined that the best interests of the residents of the County would be served by the dissolution of the PCFA to be accomplished pursuant to the requirements of the Local Authorities Fiscal Control Law, N.J.S.A. 40A:5A-1, et seq., as amended and supplemented ("Local Authorities Fiscal Control Law"), including N.J.S.A. 40A:5A-20. The County has also preliminarily determined that the dissolution of the PCFA could result in savings to the County by reducing overall costs by combining operations and providing services in a more efficient manner.

In connection with the proposed dissolution, the County, the PCFA and the CCIA have collectively preliminarily determined that it would be in the best interests of the residents of the County for the CCIA to: (i) upon dissolution, on a going-forward basis, assume the responsibility and otherwise provide for the payment of all creditors or obligees of the PCFA, (ii) assume ownership of the Landfill, and (iii) provide all of those services previously provided by the PCFA. On April 14, 2011, the Commissioners of the CCIA adopted a resolution preliminarily authorizing the CCIA, upon dissolution, on a going-forward basis, to assume responsibility and otherwise provide for the payment of all creditors and obligees of PCFA upon dissolution of PCFA and to assume ownership and operation of the Landfill ("CCIA Assumption Resolution").

Finally, the PCFA has preliminarily determined to voluntarily accede to the dissolution and to cooperate with the County and the CCIA in connection with the dissolution and transfer of the Landfill and other assets of the PCFA to CCIA. To that end, the PCFA adopted resolutions on March 22, 2011 and May 24, 2011, preliminarily authorizing the dissolution and the transfer of the PCFA's assets and liabilities to the CCIA.

Pursuant to Section 20 of the Local Authorities Fiscal Control Law, the PCFA may be dissolved by the County, subject to approval of the Local Finance Board. On May 19, 2011, the Board of Chosen Freeholders of the County introduced an ordinance authorizing the dissolution of the PCFA and making certain other determinations in connection therewith (“Dissolution Ordinance”). The Dissolution Ordinance provides, as a condition to dissolution, for the CCIA to provide, upon dissolution, on a going-forward basis, for the payment of all creditors and obligees of the PCFA (including the NJDEP). The CCIA Assumption Resolution provides for the CCIA, upon dissolution, on a going-forward basis, to be responsible for all of the PCFA’s outstanding obligations (including the NJDEP Reimbursement) and for the provision of all the services previously provided by the PCFA, including ownership and operation of the Landfill and to take possession of any and all assets and property (including real property), rights and privileges of the PCFA, including contract rights, permits, claims, defenses, causes of action, and all tangible and intangible interests.

In accordance with the Local Authorities Fiscal Control Law, the County and the CCIA may in the future complete an application to be submitted to the Local Finance Board seeking approval for the final adoption of the Dissolution Ordinance. As of the date hereof, however, no such application has been filed. If an application is made and approved by the Local Finance Board for the final adoption of the Dissolution Ordinance, the County, the PCFA and the CCIA shall undertake and complete all legal and procedural requirements necessary to effectuate the dissolution of the PCFA and the transfer of the PCFA’s assets and liabilities to the CCIA as described above. Additionally, upon determination to proceed with the filing of an application to the Local Finance Board, the PCFA and the CCIA shall undertake and complete all necessary procedural and legal requirements relative to the transfer of the Landfill and related assets to the CCIA upon dissolution of the PCFA.

#### ***Litigation Concerning the Pennsauken Sanitary Landfill***

The PCFA acquired the Pennsauken Sanitary Landfill (“Landfill”) from the Township of Pennsauken (“Pennsauken”) and the Pennsauken Solid Waste Management Authority (“PSWMA”) in December 1991, pursuant to the provisions of the Amended and Restated Operations Transfer Agreement, dated October 11, 1991 (the “AROTA”), among the PCFA, the PSWMA, Pennsauken and the County. Prior to that time, the Landfill was operated by the PSWMA on land owned by Pennsauken. Since acquisition the PCFA has continued to operate the Landfill for disposal of bypass waste, residue from the operation of the Resource Recovery Facility, and the disposal of construction and demolition waste.

There are long-standing claims regarding the remediation of the contamination of the Landfill. The PSWMA executed an Administrative Consent Order (“ACO”) with the New Jersey Department of Environmental Protection in December 1988. The ACO obligated the PSWMA to remediate contamination caused by the Landfill. The PCFA assumed the remediation obligations of the PSWMA pursuant to the AROTA. The PCFA, PSWMA and Pennsauken were plaintiffs in ongoing litigation seeking the recovery of costs associated with remediation necessary pursuant to the ACO. Counterclaims were made against Pennsauken. Pennsauken was represented by counsel for one of its insurance carriers. Trial in this litigation commenced on January 20, 2009. By the end of the second day of trial, all claims in the litigation were settled in principle. The PCFA and some defendants continue to review and execute settlement agreements. Pursuant to the settlement agreements, all defendants have been given releases and indemnification protection by the PCFA and Pennsauken. Settlement documents with Ward Sand and Materials Company and James D. Morrissey, Inc. (the “Ward Sand parties”) (the prior landfill owner and operator) are in the process of being finalized. In the meantime, the Ward Sand parties have satisfied their payment obligations. Pursuant to the ACO, the PCFA is primarily responsible for the liability associated with the contamination at the Landfill either directly as a successor to the PSWMA under the ACO or indirectly through the indemnification provisions of the AROTA. In the event that the litigation settlement proceeds are not sufficient to remediate the contamination at the Landfill, Pennsauken could be potentially responsible pursuant to the indemnification provisions in the various settlement agreements. Additionally, it is possible that the County could be responsible for all or a portion of such liability under the AROTA. To date, \$15,603,370.29 in settlement proceeds have been collected from all of the settling parties. Recent estimates

project that the remediation cost to be approximately this amount or less. They are premised on the designed system accomplishing the remediation as presently designed. Design modifications could be necessary. Additionally, it is presently anticipated that the remediation can accomplish the desired goals in approximately 10-30 years. Contingencies could arise which could impact the design of the remediation system or the length of time in which it must be in operation. Therefore, it is impossible to determine at this time what the exact cost of the PCFA's remediation obligations will be. While it is impossible to estimate the likelihood of such an outcome, any such liability of the PCFA and/or the County could have a material adverse impact upon their respective financial conditions. In the event of a dissolution of the PCFA, any existing or potential liabilities of the PCFA would pass to the CCIA.

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**APPENDIX B**

**AUDITED FINANCIAL STATEMENTS OF THE COUNTY**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Camden  
Camden, New Jersey 08102

### **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 Camden, State of New Jersey, as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

**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 Camden, State of New Jersey, as of December 31, 2017 and 2016, 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 Camden, State of New Jersey, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the basic financial statements.

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



**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2018 on our consideration of the County of Camden's, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Camden's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
September 25, 2018

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Camden  
Camden, New Jersey 08102

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the County of Camden, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 25, 2018. That report indicated that the County of Camden's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
September 25, 2018

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis  
 As of December 31, 2017 and 2016

<u>Assets</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash	SA-1	\$ 260,833,730.31	\$ 193,514,987.65
Change Funds	SA-3	1,190.00	1,190.00
Other Grants Receivable	SA-8	4,062,525.99	4,051,035.31
		<hr/>	<hr/>
		264,897,446.30	197,567,212.96
Receivables with Full Reserves:			
Revenue Accounts Receivable	SA-6	177,268.78	71,284.79
Due From Bank	SA-1	2,430.00	
Due from United States Department of Treasury	SA-1	11,032.13	
Due from Federal and State Grant Fund	SA-9		5,607,258.45
		<hr/>	<hr/>
		190,730.91	5,678,543.24
		<hr/>	<hr/>
Total Regular Fund		265,088,177.21	203,245,756.20
Federal and State Grant Fund:			
Due From Current Fund	SA-9	1,922,814.25	
Federal and State Grants Receivable	SA-7	58,079,355.63	60,370,594.16
		<hr/>	<hr/>
Total Federal and State Grant Fund		60,002,169.88	60,370,594.16
		<hr/>	<hr/>
Total Assets		\$ 325,090,347.09	\$ 263,616,350.36
		<hr/> <hr/>	<hr/> <hr/>

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis  
 As of December 31, 2017 and 2016

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 SA-10	\$ 30,261,413.47	\$ 34,316,426.85
Reserve for Encumbrances	SA-11	9,923,387.60	8,611,536.73
Reserve for Encumbrances - Other Grants	SA-11	168,540.21	634,195.83
Payroll Deductions Payable	SA-12	3,098,356.54	3,071,239.50
Due to Federal and State Grant Fund	SA-9	1,922,814.25	
Due to Trust - County Open Space	SB-36	7,141,132.36	8,150,705.21
Due to Trust - CCPD	SB-46	42,755,120.43	35,829,716.61
Due to Trust - Other Funds	SB-4	57,794,342.61	38,863,683.27
Due to General Capital	SC-8	28,289,564.81	3,484,651.50
Due to County Library Fund	SA-14	8,433,243.60	6,444,102.80
Due to State of New Jersey:			
Realty Transfer Fees	SA-13	2,068,082.75	1,392,474.05
Reserve for Other Grants:			
Appropriated	SA-16	964,798.32	1,539,672.46
Reserve for Contract Settlement	SA-18	3,022,500.00	-
		<u>195,843,296.95</u>	<u>142,338,404.81</u>
Reserve for Receivables		190,730.91	5,678,543.24
Fund Balance	A-1	<u>69,054,149.35</u>	<u>55,228,808.15</u>
Total Regular Fund		<u>265,088,177.21</u>	<u>203,245,756.20</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants			
Appropriated	SA-15	50,301,243.23	47,108,285.60
Unappropriated	SA-17	8,685.00	28,936.57
Due To Current Fund	SA-9		5,607,258.45
Reserve for Encumbrances	SA-11	9,537,621.30	7,471,493.19
Accrued Salaries		<u>154,620.35</u>	<u>154,620.35</u>
Total Federal and State Grant Fund		<u>60,002,169.88</u>	<u>60,370,594.16</u>
Total Liabilities, Reserves, and Fund Balance		<u>\$ 325,090,347.09</u>	<u>\$ 263,616,350.36</u>

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

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2017 and 2016

	<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Fund Balance Utilized		\$ 16,148,579.00	\$ 13,965,634.00
Miscellaneous Revenues Anticipated		88,942,902.50	83,513,045.25
Receipts from Current Taxes		308,631,000.00	302,639,654.00
Non-Budget Revenue		5,501,978.68	4,332,885.85
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		11,713,003.38	12,923,399.02
Cancellations -			
Outstanding Checks		42,061.99	54,896.46
Reserve for Other Grants		3,500.00	1,100.00
Due to Federal & State Grant Funds -			
Cancellation of Reserves for Federal & State Grants		2,189,495.28	1,069,429.86
Liquidation of Reserve for:			
Due from Federal and State Grant Fund		5,607,258.45	285,203.73
Due from Bank			701.04
Refund of Prior Period Expense		87,434.21	
		438,867,213.49	418,785,949.21
Total Income			
		438,867,213.49	418,785,949.21
	<u>Expenditures</u>		
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		113,859,261.00	108,951,125.00
Other Expenses		222,077,597.34	216,507,991.45
Deferred Charges and Statutory Expenditures		28,444,048.98	28,393,935.54
Debt Service		41,896,865.07	41,345,176.18
Capital Improvement Fund		500,000.00	1,900,000.00
Cancellation of Other Grants Receivable		3,499.99	1,100.00
Due to Federal & State Grant Funds -			
Cancellation of Federal/State Grants Receivable		2,074,325.59	992,258.74
Creation of Reserve for:			
Due from United States Department of Treasury		11,032.13	
Due from Bank		2,430.00	
Cancellation of General Capital Fund Receivable Previously			
Refund of Prior Year Revenue		24,233.19	42,458.23
		408,893,293.29	398,134,045.14
Total Expenditures			
		408,893,293.29	398,134,045.14
Excess in Revenue		29,973,920.20	20,651,904.07
	<u>Fund Balance</u>		
Balance Jan. 1		55,228,808.15	48,542,538.08
		85,202,728.35	69,194,442.15
Decreased by:			
Utilized as Anticipated Revenue		16,148,579.00	13,965,634.00
Balance Dec. 31		\$ 69,054,149.35	\$ 55,228,808.15

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

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2017

	<u>Anticipated</u>		Excess or (Deficit)
	<u>Budget</u>	Special <u>N.J.S.40A:4-87</u>	
Surplus Anticipated	\$ 16,148,579.00		\$ 16,148,579.00
Miscellaneous Revenues:			
Local Revenues:			
County Clerk / Register of Deeds	7,068,120.00		6,984,804.14 \$ (83,315.86)
Surrogate	535,656.00		578,972.87 43,316.87
Sheriff	2,008,247.00		2,203,792.19 195,545.19
Interest on Investments and Deposits	215,859.00		665,930.83 450,071.83
Public Health Environmental Fees	248,417.00		328,182.00 79,765.00
County Adjuster	161,076.00		145,527.35 (15,548.65)
Grant Fringe Benefit Revenue	11,287,654.00		13,295,703.99 2,008,049.99
Parks Department	172,372.00		260,372.30 88,000.30
Road Opening Fees	598,228.00		598,228.00
State Aid:			
State Aid - County College Bonds	2,152,033.00		2,232,452.62 80,419.62
City of Camden - Maintenance of City Hall	121,992.00		111,826.00 (10,166.00)
Division of Public Welfare - Title IV-D Program	758,177.00		603,227.22 (154,949.78)
State Assumption of Social & Welfare Services & Psychiatric Facilities:			
Supplemental Security Income	1,095,207.00		1,385,363.00 290,156.00
<u>Federal and State Grants:</u>			
US Department of Health & Human Services			
Medical Reserve Corps Challenge Award 2017		\$ 13,000.00	13,000.00
US Department of Homeland Security			
Port Security Grant Program FY 2016 - Sheriff		2,152.00	2,152.00
Port Security Grant Program FY 2017 - Sheriff		73,500.00	73,500.00
US Department of Housing & Urban Development			
Emergency Solutions Grant 17-18		193,191.00	193,191.00
Home Investment Partnership 17-18		861,170.00	861,170.00
US Department of Justice			
Body-Worn Camera Policy and Implementation Program 16		1,000.00	1,000.00
Body-Worn Camera Policy and Implementation Program 17		514,610.00	514,610.00
Comprehensive Opioid Abuse Site-Based Program		400,000.00	400,000.00
COPS Hiring Program (CHP) 2015	5,371.35	473,813.00	479,184.35
Edward Byrne Memorial Justice Assistance Grant Program	311,132.00		311,132.00
Second Chance Act Reentry Program FY 16		650,000.00	650,000.00
Executive Office of the President, Office of the National Drug Control Policy			
Joint Camden HIDTA Task Force 17		745,468.00	745,468.00
NJ Department of Children and Families			
Child Advocacy Center Competitive Grant Program		440,000.00	440,000.00
NJ Department of Community Affairs			
Recreation Opportunities for Individuals with Disabilities Grant	35,000.00		35,000.00
NJ Department of Corrections			
Medication Assisted Treatment for Substance Use Disorder		200,000.00	200,000.00
NJ Department of Environmental Protection			
Clean Communities Entitlement 17		127,531.43	127,531.43
County Environmental Health Act CEHA 17	298,904.00		298,904.00
Mosquito Control Activities Implementation		32,857.14	32,857.14
Recycling Enhancement Act Tax Fund 2016		372,632.00	372,632.00
Recreational Trails Program		24,700.00	24,700.00
NJ Department of Health & Senior Services			
Area Plan 17		95,863.00	95,863.00
Area Plan 18		3,682,070.00	3,682,070.00

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2017

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S.40A:4-87</u>		
Bioterrorism Preparedness 17-18		\$ 296,483.00	\$ 296,483.00	
Childhood Lead Poisoning Prevention 16-17		13,604.00	13,604.00	
Childhood Lead Poisoning Prevention 17-18		130,312.00	130,312.00	
Sexually Transmitted Diseases 17-18		105,319.00	105,319.00	
Special Child Health Services 16-17		2,229.00	2,229.00	
Special Child Health Services 17-18		305,745.00	305,745.00	
State Health Insurance Program 17 (SHIP)		33,000.00	33,000.00	
Tanning Facility Registration & Inspection Project 16-17		3,520.00	3,520.00	
Tuberculosis Control Grant 17-18		107,603.00	107,603.00	
NJ Department of Human Services				
Child Care Resource & Referral 16-17		9,671.85	9,671.85	
Child Care Resource & Referral 17-18		3,414,781.00	3,414,781.00	
Comprehensive Alcohol & Drug Abuse Grant 18		1,508,568.00	1,508,568.00	
Social Services for the Homeless 17		673,392.00	673,392.00	
Social Services for the Homeless 18		1,096,782.00	1,096,782.00	
Special Initiative & Transportation 17-18		255,808.00	255,808.00	
NJ Department of Labor & Workforce Development				
Work First New Jersey WFNJ 17-18		5,730,905.00	5,730,905.00	
Workforce Innovation & Opportunity Act 17-18		3,724,369.00	3,724,369.00	
Workforce Learning Link 17-18		179,000.00	179,000.00	
NJ Department of Law & Public Safety				
Camden County Police Department Body Armor Replacement	\$ 25,361.57	30,468.72	55,830.29	
Click It or Ticket 2017		4,000.00	4,000.00	
Corrections Body Armor Replacement 17		24,282.15	24,282.15	
Drive Sober or Get Pulled Over 17		5,500.00	5,500.00	
Drunk Driving Enforcement Fund - Police 16-17	12,152.62	12,152.62	12,152.62	
Drunk Driving Enforcement Fund - Police 17-18		7,643.06	7,643.06	
Emergency Management Agency Assistance EMEA FY2017		55,000.00	55,000.00	
Family Court Services 17		464,649.00	464,649.00	
FEMA Hazardous Mitigation Grant		99,946.00	99,946.00	
Insurance Fraud Reimbursement Program		250,000.00	250,000.00	
JAG County Gang, Gun & Narcotics Task Force 16-17		219,997.00	219,997.00	
Juvenile Detention Alternatives Initiative - Innovation Funding 17		124,000.00	124,000.00	
Megan's Law & Local Law Enforcement Assistance 17-18		23,977.00	23,977.00	
Prosecutor's Office Body Armor Replacement 16		9,096.93	9,096.93	
Sexual Assault Response Team/Nurse Examiner 16-17		112,611.00	112,611.00	
Sheriff's Office Body Armor Replacement 17		14,239.01	14,239.01	
State Facilities Education Act SFEA		157,500.00	157,500.00	
State/Community Partnership 17		582,363.00	582,363.00	
State and Community Highway Safety Grant Project	49,990.00	49,990.00	49,990.00	
Traffic Safety Task Force	52,715.00	52,715.00	52,715.00	
U Drive. U Text. U Pay. High Visibility Enforcement Campaign Grant		5,437.14	5,437.14	
Victim Witness Advocacy 16-17		420,657.00	420,657.00	
Victim Witness Advocacy - DV Advocate 16-17		54,301.00	54,301.00	
Victim Witness Advocacy - DV Advocate 17-18		54,296.00	54,296.00	
Victim Witness Advocacy Supplemental		347,720.00	347,720.00	

(Continued)



**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2017

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S.40A:4-87</u>		
Homeland Security Grant Program 17		\$ 295,669.54	\$ 295,669.54	
NJ Department of Transportation				
Annual Transportation Program (ATP)	\$ 4,534,000.00		4,534,000.00	
Concept Development of Kaighns Avenue between Broadway and Haddon Avenue		350,000.00	350,000.00	
Cooper's Poynt Waterfront Trail Construction		500,000.00	500,000.00	
Federal Street, Baird Boulevard and Westfield Avenue		350,000.00	350,000.00	
Haddon Avenue, Gateway Project		1,025,663.58	1,025,663.58	
Haddon Avenue Improvements		350,000.00	350,000.00	
Local Bridge Future Needs (LBFN) FY 2017		1,000,000.00	1,000,000.00	
Market and Federal Streets Traffic Operations Improvements		100,000.00	100,000.00	
Newton Avenue Signal and Alignment Modifications		500,000.00	500,000.00	
River Road Improvements		500,000.00	500,000.00	
Springdale Road (CR673) Road Improvements, Phase II		416,880.00	416,880.00	
State Street Improvements		500,000.00	500,000.00	
Regional GIS Implementation & Coordination 17-18		35,000.00	35,000.00	
Supportive Regional Highway Planning Program 17-18		44,015.00	44,015.00	
Transit Support Program TSP 17-18		41,500.00	41,500.00	
NJ Department of Treasury, Governor's Council on Alcoholism & Drug Abuse				
Municipal Alliance Grant 17		617,801.00	617,801.00	
<u>Other Grants:</u>				
Carol Norcross Memorial Grant				
CCCTMA Transportation Demand Reimbursement Program 2017		4,700.00	4,700.00	
CCSO K9 Unit Donation Grant		200.00	200.00	
Household Hazardous Waste - CCMUA 16	50,000.00		50,000.00	
Household Hazardous Waste - CCMUA 17		50,000.00	50,000.00	
Park Bench Donation Program	3,300.00		3,300.00	
Public Health Priority Funding 18 PHPF		333,276.00	333,276.00	
Recycling Tonnage Grant		2,497.25	2,497.25	
Regional Trails Program		37,820.00	37,820.00	
Rutgers Weed Out Hunger Grant		4,500.00	4,500.00	

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S.40A:4-87</u>		
Other Special Items:				
Register of Deeds Copy Machine Revenue	\$ 34,748.00		\$ 33,392.50	\$ (1,355.50)
Motor Vehicle Fine Fund	3,268,684.00		3,268,684.00	
General Support Claims	213,367.00		127,867.10	(85,499.90)
South Jersey Port PILOT	419,000.00		419,000.00	
Added and Omitted Taxes	1,580,813.00		1,580,813.00	
Library Debt Service	341,312.00		341,312.00	
Indirect Costs	978,234.00		3,139,608.46	2,161,374.46
Inmate Welfare - Room & Board	250,000.00		250,000.00	
Reserve to Pay Bonds	3,500,000.00		3,500,000.00	
Weights and Measures	3,895.00		22,175.50	18,280.50
Camden County Tech School - Interlocal	450,000.00		450,000.00	
DYFS Breakfast/Lunch	68,351.00		14,496.66	(53,854.34)
Hall of Justice Rented Space	42,916.00		39,615.00	(3,301.00)
Department of Treasury - Build America Bonds	585,954.00		1,146,183.43	560,229.43
Maintenance of Open Space	3,215,590.00		3,215,590.00	
Miscellaneous Revenue Anticipated	46,753,828.54	\$ 36,621,855.80	88,942,902.50	5,567,218.16
Amount to be Raised by Taxes	308,631,000.00		308,631,000.00	
Budget Totals	371,533,407.54	36,621,855.80	413,722,481.50	5,567,218.16
Non-budget Revenues			5,501,978.68	5,501,978.68
	<u>\$ 371,533,407.54</u>	<u>\$ 36,621,855.80</u>	<u>\$ 419,224,460.18</u>	<u>\$ 11,069,196.84</u>

(Continued)

**COUNTY OF CAMDEN**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

Analysis of Realized Revenues

Interest on Investments and Deposits:		
Collected by County Treasurer	\$	646,231.39
Revenue Accounts Receivable:		
Surrogate		211.97
Sheriff		19,487.47
		<u>19,487.47</u>
	\$	<u>665,930.83</u>
Vending Machines:		
Revenue Accounts Receivable - Register of Deeds	\$	6,232.50
Other Treasurer Receipts		27,160.00
		<u>27,160.00</u>
	\$	<u>33,392.50</u>
Indirect Costs:		
Collected by County Treasurer	\$	2,558,232.46
Library Pension Contribution		581,376.00
		<u>581,376.00</u>
	\$	<u>3,139,608.46</u>

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:		
Administration	\$	946,469.60
Boat House Revenue		208,028.33
CCIA Marine Terminal Payments		8,532.70
Child Support Fees		2,503.00
Cooper House Restaurant		37,503.40

(Continued)

**COUNTY OF CAMDEN**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

Analysis of Non-Budget Revenues (Cont'd)

Miscellaneous Revenue not Anticipated (Cont'd):

Department of Corrections	\$	2,700.00
Discoveries		10,019.22
Elections Management and Coordination		348,512.15
Fuel Reimbursement		247,392.12
FEMA Reimbursement		13,419.01
Gloucester County Inmates		410,023.48
Health Department - Project Lifesaver		1,645.00
Inmates SCLS		12,596.00
Inmates HEDS		70,910.00
Insurance		237,617.97
Juvenile Inmate Housing Reimbursement		49,400.00
Legal Settlement Proceeds		114,532.00
Miscellaneous		489,484.93
Parks Department		335.42
Payroll Deductions		4,984.67
Planning Board		92,589.00
Prescription Reimbursement		248,915.43
Probation		6,181.78
Prosecutors Office		640.50
Prosecutor Relief PILOT Program		895,000.00
Public Safety		20,000.00
Public Works		3,360.00
Reach		560.00
Senior Cit. Day Care		2,659.80
Senior Services		930.00
Social Security Administration for Inmates		68,400.00
Third Party		49,192.53
Vicinage 04 Field Operations		40,948.75
Womans Health Conference		7,314.93
WTC Rent		848,676.96
		<hr/>
	\$	<u>5,501,978.68</u>

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

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>General Government:</u>						
Board of Chosen Freeholders						
Salary and Wages	\$ 162,001.00	\$ 165,501.00	\$ 165,288.69		\$ 212.31	
Other Expenses	1,930.00	37,930.00	514.98	\$ 125.02	37,290.00	
Office of Shared Services						
Salary and Wages		85,000.00	84,112.62		887.38	
Department of Personnel						
Salary and Wages	442,426.00	450,926.00	450,716.33		209.67	
Other Expenses	89,233.00	89,233.00	77,510.87	4,186.56	7,535.57	
Internal Audit						
Salary and Wages	212,409.00	213,409.00	212,410.09		998.91	
Other Expenses	2,000.00	2,000.00	913.94	66.65	1,019.41	
County Administrator						
Salary and Wages	1,311,607.00	1,386,607.00	1,382,301.22		4,305.78	
Other Expenses	156,134.00	156,134.00	78,808.45	3,542.59	73,782.96	
Constituent Services & Hispanic Affairs						
Salary and Wages	433,510.00	433,510.00	411,647.78		21,862.22	
Other Expenses	76,000.00	76,000.00	34,341.71	36,546.06	5,112.23	
County Counsel						
Salary and Wages	1,346,365.00	1,296,365.00	1,284,399.51		11,965.49	
Other Expenses	840,500.00	840,500.00	468,169.79	73,510.06	298,820.15	
Media Relations						
Other Expenses	43,915.00	43,915.00			43,915.00	
Clerk of the Board						
Salary and Wages	469,369.00	579,369.00	578,077.51		1,291.49	
Other Expenses	1,250.00	1,250.00	882.23		367.77	
Public Information						
Salary and Wages	229,260.00	229,260.00	187,370.94		41,889.06	
Other Expenses	740,400.00	740,400.00	717,066.49	21,580.58	1,752.93	
County Adjuster						
Salary and Wages	292,434.00	242,434.00	191,440.99		50,993.01	
Other Expenses	67,350.00	67,350.00	23,676.73	39,785.50	3,887.77	
County Treasurer						
Salary and Wages	16,500.00	16,500.00			16,500.00	
Other Expenses	201,500.00	201,500.00	58,629.15		142,870.85	
Court House						
Salary and Wages	441,136.00	481,136.00	480,799.93		336.07	
Other Expenses	7,245,174.00	7,245,174.00	5,794,718.45	1,233,539.44	216,916.11	
Institutional Building & Maintenance						
Salary and Wages	71,188.00	71,188.00	71,181.32		6.68	
Other Expenses	1,432,464.00	1,432,464.00	880,141.71	426,106.30	126,215.99	
Special Events						
Salary and Wages	793,909.00	949,409.00	943,067.70		6,341.30	
Other Expenses	1,785,100.00	1,785,100.00	1,658,057.19	115,037.81	12,005.00	

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>General Government (Cont'd):</b>						
Graphics						
Salary and Wages	\$ 83,000.00	\$ 95,000.00	\$ 94,669.40		\$ 330.60	
Other Expenses	25,000.00	25,000.00	11,852.24	\$ 6,579.91	6,567.85	
Mail Room						
Salary and Wages	226,845.00	227,845.00	227,259.81		585.19	
Other Expenses	2,362,750.00	2,362,750.00	1,752,322.67	448,086.86	162,340.47	
Veterans' Service Bureau						
Salary and Wages	318,064.00	318,064.00	282,962.84		35,101.16	
Other Expenses	122,150.00	122,150.00	77,140.12	32,705.87	12,304.01	
Telecommunications						
Salary and Wages	75,677.00	75,677.00	75,252.90		424.10	
Other Expenses	924,000.00	924,000.00	561,320.51	144,070.95	218,608.54	
Sustainability						
Other Expenses	40,000.00	40,000.00	3,239.21	33,647.58	3,113.21	
<b>General Government Total</b>	<b>23,082,550.00</b>	<b>23,510,050.00</b>	<b>19,322,266.02</b>	<b>2,619,117.74</b>	<b>1,568,666.24</b>	
<b>Regulation:</b>						
Board of Elections						
Salary and Wages	630,017.00	640,017.00	638,219.27		1,797.73	
Other Expenses	819,210.00	819,210.00	629,721.28	38,528.30	150,960.42	
Superintendent of Elections						
Salary and Wages	742,466.00	762,466.00	760,296.89		2,169.11	
Other Expenses	372,500.00	372,500.00	222,624.82	17,187.29	132,687.89	
Weights and Measures						
Salary and Wages	253,340.00	258,340.00	255,702.85		2,637.15	
Other Expenses	1,608.00	1,608.00	888.36	165.39	554.25	
County Medical Examiner						
Other Expenses	1,066,000.00	1,066,000.00	1,058,114.00		7,886.00	
Public Safety						
Salary and Wages	12,104,091.00	12,104,091.00	11,058,029.43		1,046,061.57	
Other Expenses	2,488,361.00	2,488,361.00	1,755,383.10	315,841.15	417,136.75	
Youth Center						
Salary and Wages	7,305,678.00	7,155,678.00	7,039,722.67		115,955.33	
Other Expenses	2,173,050.00	2,173,050.00	1,481,785.10	343,034.97	348,229.93	
County Clerk						
Salary and Wages	2,064,768.00	2,149,768.00	2,148,632.50		1,135.50	
Other Expenses	772,118.00	772,118.00	658,351.12	30,650.14	83,116.74	
County Surrogate						
Salary and Wages	982,697.00	1,002,697.00	1,002,004.96		692.04	
Other Expenses	66,250.00	66,250.00	50,517.45	5,014.91	10,717.64	
Sheriff's Office						
Salary and Wages	15,494,155.00	15,494,155.00	15,292,252.78		201,902.22	
Other Expenses	1,187,178.00	1,187,178.00	696,605.83	448,280.47	42,291.70	

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>Regulation (Cont'd):</b>						
Fire Marshall						
Salary and Wages	\$ 135,287.00	\$ 135,787.00	\$ 131,676.41		\$ 4,110.59	
Other Expenses	59,000.00	60,500.00	6,717.04	\$ 2,886.76	50,896.20	
Security						
Other Expenses	2,244,645.00	2,244,645.00	1,674,829.60	508,901.72	60,913.68	
<b>Regulation Total</b>	<b>50,962,419.00</b>	<b>50,954,419.00</b>	<b>46,562,075.46</b>	<b>1,710,491.10</b>	<b>2,681,852.44</b>	
<b>Recreational and Environmental Affairs:</b>						
Parks & Recreation						
Salary and Wages	1,933,043.00	1,933,043.00	1,510,020.60		423,022.40	
Other Expenses	2,470,915.00	2,470,915.00	1,440,952.48	636,707.19	393,255.33	
Mosquito Extermination						
Salary and Wages	272,014.00	272,014.00	267,628.26		4,385.74	
Other Expenses	43,800.00	43,800.00	23,786.88	12,753.53	7,259.59	
County Boat House						
Salary and Wages	136,841.00	136,841.00	83,761.04		53,079.96	
Other Expenses	415,109.00	415,109.00	170,745.44	27,869.68	216,493.88	
County Extension Services						
Salary and Wages	104,877.00					
Other Expenses	24,282.00	129,159.00	6,460.24	1,869.84	120,828.92	
Solid Waste Liaison						
Salary and Wages	32,518.00	33,518.00	32,778.50		739.50	
Other Expenses	484,500.00	484,500.00	151,612.32	71,467.24	261,420.44	
<b>Recreational and Environmental Affairs Total</b>	<b>5,917,899.00</b>	<b>5,918,899.00</b>	<b>3,687,745.76</b>	<b>750,667.48</b>	<b>1,480,485.76</b>	
<b>Finance:</b>						
Board of Taxation						
Salary and Wages	391,734.00	391,734.00	368,532.09		23,201.91	
Other Expenses	25,500.00	25,500.00	22,254.80	822.53	2,422.67	
Office of Telecommunications and Information Systems						
Salary and Wages	589,643.00	589,643.00	546,904.74		42,738.26	
Other Expenses	884,201.00	884,201.00	594,201.86	26,965.16	263,033.98	
Purchasing Department						
Salary and Wages	345,000.00	345,000.00	334,035.04		10,964.96	
Other Expenses	88,000.00	88,000.00	50,275.96	7,070.78	30,653.26	
Office of Mgmt & Budget						
Salary and Wages	270,000.00	270,000.00	267,665.76		2,334.24	
Other Expenses	3,400.00	3,400.00	661.80		2,738.20	
Comptroller's Office						
Salary and Wages	670,000.00	670,000.00	665,952.97		4,047.03	
Other Expenses	763,950.00	763,950.00	142,045.36	448,507.84	173,396.80	
Insurance						
Salary and Wages	219,792.00	144,792.00	83,941.04		60,850.96	
Other Expenses	3,200.00	3,200.00	523.02	287.62	2,389.36	
Group Insurance Plan for Employees - Inside CAP	54,600,822.00	54,600,822.00	45,930,292.60	42,997.42	8,627,531.98	
Group Insurance Plan for Employees - Outside CAP						
Employees Health and Welfare	1,000,000.00	1,000,000.00	852,389.92		147,610.08	
Worker's Compensation	1,000,000.00	1,000,000.00	690.00		999,310.00	
Other Insurance Premiums	7,675,000.00	7,675,000.00	7,043,612.52	17,324.12	614,063.36	
<b>Finance Total</b>	<b>68,530,242.00</b>	<b>68,455,242.00</b>	<b>56,903,979.48</b>	<b>543,975.47</b>	<b>11,007,287.05</b>	

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>Health and Welfare:</b>						
Public Health						
Salary and Wages	\$ 1,245,003.00	\$ 1,245,003.00	\$ 1,140,961.57		\$ 104,041.43	
Other Expenses	667,898.00	667,898.00	461,330.54	\$ 185,955.93	20,611.53	
Administration & Finance						
Salary and Wages	441,179.00	441,179.00	364,359.70		76,819.30	
Other Expenses	16,650.00	16,650.00	1,751.77	337.23	14,561.00	
Office on Aging						
Salary and Wages	357,652.00	307,652.00	286,150.32		21,501.68	
Other Expenses	658,742.00	658,742.00	382,688.53	39,792.69	236,260.78	
Environmental Health Services						
Salary and Wages	1,632,938.00	1,632,938.00	1,557,061.65		75,876.35	
Other Expenses	82,266.00	82,266.00	56,238.77	14,634.04	11,393.19	
Health Service Center -- Contractual	4,000,000.00	4,000,000.00	4,000,000.00			
Maintenance of Patients in State Institutions - Mental Disease	4,579,811.00	5,159,811.00	5,145,228.00		14,583.00	
University of Medicine & Denistry NJ						
Other Expenses	16,964.00	16,964.00	5,089.00		11,875.00	
County Board of Social Services - Administration	16,188,702.00	16,345,381.00	16,345,381.00			
Training and Services	1,880,159.00	1,723,480.00	1,723,479.96		0.04	
Assistance for Dependent Children						
County	374,307.00	374,307.00	374,307.00			
Supplemental Security Income	1,095,207.00	1,095,207.00	1,095,207.00			
Human Service Grants	1,692,199.00	1,692,199.00	831,004.07	469,923.64	391,271.29	
Hospital Contract Administration	312,120.00	312,120.00	188,924.40	111,075.60	12,120.00	
<b>Health and Welfare Total</b>	<b>35,241,797.00</b>	<b>35,771,797.00</b>	<b>33,959,163.28</b>	<b>821,719.13</b>	<b>990,914.59</b>	
<b>Roads and Bridges:</b>						
Roads and Highways						
Salary and Wages	3,513,455.00	3,513,455.00	3,429,510.18		83,944.82	
Other Expenses	3,062,292.00	3,062,292.00	1,879,999.05	493,040.45	689,252.50	
Engineering Department						
Salary and Wages	502,985.00	502,985.00	493,679.96		9,305.04	
Other Expenses	10,583.00	10,583.00	2,947.06	797.83	6,838.11	
Planning						
Salary and Wages	299,653.00	99,653.00	59,540.37		40,112.63	
Other Expenses	71,670.00	269,670.00	64,689.00		204,981.00	
<b>Roads and Bridges Total</b>	<b>7,460,638.00</b>	<b>7,458,638.00</b>	<b>5,930,365.62</b>	<b>493,838.28</b>	<b>1,034,434.10</b>	
<b>Correctional and Penal:</b>						
County Jail						
Salary and Wages	31,623,833.00	31,050,333.00	27,041,717.06		4,008,615.94	
Other Expenses	19,424,100.00	19,424,100.00	13,812,735.57	2,126,026.57	3,485,337.86	
<b>Correctional and Penal Total</b>	<b>51,047,933.00</b>	<b>50,474,433.00</b>	<b>40,854,452.63</b>	<b>2,126,026.57</b>	<b>7,493,953.80</b>	

(Continued)



**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>Judicial:</b>						
Administration of Superior Court						
Other Expenses	\$ 150,000.00	\$ 150,000.00	\$ 113,152.50		\$ 36,847.50	
Probation Department						
Other Expenses	2,136,360.00	2,136,360.00	1,843,192.55	\$ 70,318.78	222,848.67	
County Prosecutor						
Salary and Wages	22,941,779.00	22,941,779.00	21,657,552.21		1,284,226.79	
Other Expenses	3,256,988.00	3,256,988.00	1,560,763.13	718,185.90	978,038.97	
Judicial Total	28,485,127.00	28,485,127.00	25,174,660.39	788,504.68	2,521,961.93	
<b>Educational:</b>						
Superintendent of Schools						
Salary and Wages	175,000.00	175,000.00	171,379.19		3,620.81	
Other Expenses	6,733.00	6,733.00	4,016.33	62.63	2,654.04	
Vocational Schools	11,146,033.00	11,146,033.00	11,146,033.00			
County College	10,488,856.00	10,488,856.00	10,488,856.00			
Reimbursements - County College	200,000.00	200,000.00	133,935.13		66,064.87	
Educational Total	22,016,622.00	22,016,622.00	21,944,219.65	62.63	72,339.72	
<b>Unclassified:</b>						
Improvement Authority						
County Store	4,530.00	4,530.00	2,039.54	2,490.46		
Matching Funds for Grants	150,000.00	150,000.00			150,000.00	
Animal Shelter	260,000.00	260,000.00	174,166.63	15,833.37	70,000.00	
Salary Adjustments	742,500.00	142,500.00			142,500.00	
Unclassified Total	1,157,030.00	557,030.00	176,206.17	18,323.83	362,500.00	
<b>Federal and State Grants:</b>						
US Department of Health & Human Services						
Medical Reserve Corps Challenge Award 2017		13,000.00	13,000.00			
US Department of Homeland Security						
Port Security Grant Program FY 2016 - Sheriff		2,152.00	2,152.00			
Port Security Grant Program FY 2017 - Sheriff		73,500.00	73,500.00			
US Department of Housing & Urban Development						
Emergency Solutions Grant 17-18		193,191.00	193,191.00			
Home Investment Partnership 17-18		861,170.00	861,170.00			
US Department of Justice						
Body-Worn Camera Policy and Implementation Program 16		1,000.00	1,000.00			
Body-Worn Camera Policy and Implementation Program 17		514,610.00	514,610.00			
Comprehensive Opioid Abuse Site-Based Program		400,000.00	400,000.00			
COPS Hiring Program (CHP) 2015	5,371.35	479,184.35	479,184.35			
Edward Byrne Memorial Justice Assistance Grant Program	311,132.00	311,132.00	311,132.00			
Second Chance Act Reentry Program FY 16		650,000.00	650,000.00			
NJ Department of Children and Families						
Child Advocacy Center Competitive Grant Program		440,000.00	440,000.00			
NJ Department of Community Affairs						
Rec. Opp. For Individuals with Disabilities Grant	35,000.00	35,000.00	35,000.00			
Executive Office of the President, Office of the National Drug Control Policy						
Joint Camden HIDTA Task Force 17		745,468.00	745,468.00			

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
NJ Department of Corrections						
Medication Assisted Treatment for Substance Use Disorder		\$ 200,000.00	\$ 200,000.00			
NJ Department of Environmental Protection						
Clean Communities Entitlement 17		127,531.43	127,531.43			
County Environmental Health Act CEHA 17 CY	\$ 298,904.00	298,904.00	298,904.00			
Mosquito Control Activities Implementation		32,857.14	32,857.14			
Recreational Trails Program		24,700.00	24,700.00			
Recycling Enhancement Act Tax Fund 2016		372,632.00	372,632.00			
NJ Department of Health & Senior Services						
Area Plan 17		95,863.00	95,863.00			
Area Plan 18		3,682,070.00	3,682,070.00			
Bioterrorism Preparedness 17-18		296,483.00	296,483.00			
Childhood Lead Poisoning Prevention 16-17		13,604.00	13,604.00			
Childhood Lead Poisoning Prevention 17-18		130,312.00	130,312.00			
Sexually Transmitted Diseases 17-18		105,319.00	105,319.00			
Special Child Health Services 16-17		2,229.00	2,229.00			
Special Child Health Services 17-18		305,745.00	305,745.00			
State Health Insurance Program 17 (SHIP)		33,000.00	33,000.00			
Tanning Facility Registration & Inspection Project 16-17		3,520.00	3,520.00			
Tuberculosis Control Grant 17-18		107,603.00	107,603.00			
NJ Department of Human Services						
Child Care Resource & Referral 16-17		9,671.85	9,671.85			
Child Care Resource & Referral 17-18		3,414,781.00	3,414,781.00			
Comprehensive Alcohol & Drug Abuse Grant 18		1,508,568.00	1,508,568.00			
Social Services for the Homeless 17		673,392.00	673,392.00			
Social Services for the Homeless 18		1,096,782.00	1,096,782.00			
Special Initiative & Transportation 17-18		255,808.00	255,808.00			
NJ Department of Labor & Workforce Development						
Work First New Jersey WFNJ 17-18		5,714,855.00	5,714,855.00			
Workforce Innovation & Opportunity Act 17-18		3,724,369.00	3,724,369.00			
Workforce Learning Link 17-18		179,000.00	179,000.00			
Work First New Jersey - SmartSTEPS 17-18		16,050.00	16,050.00			

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
NJ Department of Law & Public Safety						
Camden County Police Department Body Armor Replacement 17		\$ 30,468.72	\$ 30,468.72			
Click It or Ticket 2017		4,000.00	4,000.00			
Corrections Body Armor Replacement 16	\$ 25,361.57	25,361.57	25,361.57			
Corrections Body Armor Replacement 17		24,282.15	24,282.15			
Drive Sober or Get Pulled Over 17		5,500.00	5,500.00			
Drunk Driving Enforcement Fund 16-17	12,152.62	12,152.62	12,152.62			
Drunk Driving Enforcement Fund 17-18		7,643.06	7,643.06			
Emergency Management Agency Assistance EMEA FY2017		55,000.00	55,000.00			
Family Court Services 17		464,649.00	464,649.00			
FEMA Hazardous Mitigation Grant		99,946.00	99,946.00			
Homeland Security Grant Program 17		295,669.54	295,669.54			
Insurance Fraud Reimbursement Program 17		250,000.00	250,000.00			
JAG County Gang, Gun & Narcotics Task Force 16-17		219,997.00	219,997.00			
Juvenile Detention Alternatives Initiative - Innovation Funding 17		124,000.00	124,000.00			
Megan's Law & Local Law Enforcement Assistance 17-18		23,977.00	23,977.00			
Prosecutor's Office Body Armor Replacement 16		9,096.93	9,096.93			
Sexual Assault Response Team/Nurse Examiner 16-17		112,611.00	112,611.00			
Sheriff's Office Body Armor Replacement 17		14,239.01	14,239.01			
State Facilities Education Act SFEA 17-18		157,500.00	157,500.00			
State/Community Partnership 17		582,363.00	582,363.00			
State and Community Highway Safety Grant Project	49,990.00	49,990.00	49,990.00			
Traffic Safety Task Force	52,715.00	52,715.00	52,715.00			
U Drive. U Text. U Pay. High Visibility Enforcement Campaign Grant		5,437.14	5,437.14			
Victim Witness Advocacy 16-17		420,657.00	420,657.00			
Victim Witness Advocacy - DV Advocate 16-17		54,301.00	54,301.00			
Victim Witness Advocacy - DV Advocate 17-18		54,296.00	54,296.00			
Victim Witness Advocacy Supplemental		347,720.00	347,720.00			

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
NJ Department of Transportation						
Annual Transportation Program (ATP)	\$ 4,534,000.00	\$ 4,534,000.00	\$ 4,534,000.00			
Concept Development of Kaighns Avenue between Broadway and Haddon Avenue		350,000.00	350,000.00			
Cooper's Poynt Waterfront Trail Construction		500,000.00	500,000.00			
Federal Street, Baird Boulevard and Westfield Avenue		350,000.00	350,000.00			
Haddon Avenue, Gateway Project		1,025,663.58	1,025,663.58			
Haddon Avenue Improvements		350,000.00	350,000.00			
Local Bridge Future Needs (LBFN) FY 2017		1,000,000.00	1,000,000.00			
Market and Federal Streets Traffic Operations Improvements		100,000.00	100,000.00			
Newton Avenue Signal and Alignment Modifications		500,000.00	500,000.00			
River Road Improvements		500,000.00	500,000.00			
Springdale Road (CR673) Road Improvements, Phase II		416,880.00	416,880.00			
State Street Improvements		500,000.00	500,000.00			
Pass thru Delaware Valley Regional Planning Commission						
Regional GIS Implementation & Coordination 17-18		35,000.00	35,000.00			
Supportive Regional Highway Planning Program 17-18		44,015.00	44,015.00			
Transit Support Program TSP 17-18		41,500.00	41,500.00			
NJ Department of Treasury, Governor's Council on Alcoholism & Drug Abuse						
Municipal Alliance Grant 17		617,801.00	617,801.00			
<b>Federal &amp; State Grants Total</b>	<b>5,324,626.54</b>	<b>41,513,489.09</b>	<b>41,513,489.09</b>			
<u>Other Grants:</u>						
CCCTMA Transportation Demand Reimbursement Program 2017		4,700.00	4,700.00			
CCSO K9 Unit Donation Grant		200.00	200.00			
Household Hazardous Waste Program 2016	50,000.00	50,000.00	50,000.00			
Household Hazardous Waste Program 2017		50,000.00	50,000.00			
Park Bench Donation Program	3,300.00	3,300.00	3,300.00			
Public Health Priority Funding 18 PHPF		333,276.00	333,276.00			
Recycling Tonnage Grant		2,497.25	2,497.25			
Regional Trails Program		37,820.00	37,820.00			
Rutgers Weed Out Hunger Grant		4,500.00	4,500.00			
<b>Other Grants Total</b>	<b>53,300.00</b>	<b>486,293.25</b>	<b>486,293.25</b>	<b>-</b>	<b>-</b>	
<b>Total Operations</b>	<b>299,280,183.54</b>	<b>335,602,039.34</b>	<b>296,514,916.80</b>	<b>\$ 9,872,726.91</b>	<b>\$ 29,214,395.63</b>	
<b>Contingent</b>	<b>334,819.00</b>	<b>334,819.00</b>	<b>96,377.05</b>	<b>50,660.69</b>	<b>187,781.26</b>	
<b>Total Operations Including Contingent</b>	<b>299,615,002.54</b>	<b>335,936,858.34</b>	<b>296,611,293.85</b>	<b>9,923,387.60</b>	<b>29,402,176.89</b>	
<u>Detail:</u>						
Salaries and Wages	115,079,638.00	113,859,261.00	105,812,629.59	-	8,046,631.41	
Other Expenses	184,535,364.54	222,077,597.34	190,798,664.26	9,923,387.60	21,355,545.48	
<u>Capital Improvements</u>						
Capital Improvement Fund	500,000.00	500,000.00	500,000.00			
	500,000.00	500,000.00	500,000.00			

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>Debt Service:</u>						
Payment on Bond Principal						
Other Bonds	\$ 2,725,000.00	\$ 2,725,000.00	\$ 2,725,000.00			
Interest on Bonds						
Other Bonds	1,094,313.00	1,094,313.00	1,094,312.85			\$ 0.15
Green Trust Loan Program						
Estimated Loan Repayments for Principal and Interest	43,529.00	43,529.00	43,528.23			0.77
Capital Lease Program - CCIA						
Principal & Interest	8,997,361.00	8,997,361.00	8,988,676.59			8,684.41
Capital Loan Program						
Principal	15,585,000.00	15,585,000.00	15,585,000.00			
Interest	14,829,153.00	14,829,153.00	13,460,347.40			1,368,805.60
Debt Service Total	43,274,356.00	43,274,356.00	41,896,865.07			1,377,490.93
<u>Deferred Charges and Statutory Expenditures:</u>						
Deferred Charges						
Prior Year Bills	163,147.00	163,147.00	163,146.98			0.02
Statutory Expenditures						
Public Employees Retirement System	7,627,391.00	7,827,391.00	7,784,406.44		\$ 42,984.56	
Social Security System	9,975,355.00	9,975,355.00	9,626,042.33		349,312.67	
Unemployment Compensation	200,000.00	200,000.00			200,000.00	
Detectives Pension Fund	28,649.00	28,649.00	28,649.00			
Sheriff Pension Fund	79,300.00	79,300.00	79,300.00			
Probation Officers Pension	37,748.00	37,748.00	37,748.00			
<u>Deferred Charges and Statutory Expenditures (Cont'd):</u>						
Statutory Expenditures (Cont'd)						
Police & Firemen's Retirement System - Dept 26	2,005,403.00	2,005,403.00	2,005,403.00			
Police & Firemen's Retirement System - Dept 28 - 29	7,644,424.00	7,644,424.00	7,644,424.00			
Defined Contribution Retirement Plan	50,000.00					
Fire Marshall Pension	20,512.00	20,512.00	20,512.00			
Disability Insurance	312,120.00	462,120.00	195,180.65		266,939.35	
Deferred Charges and Statutory Expenditures Total	28,144,049.00	28,444,049.00	27,584,812.40		859,236.58	0.02
	<u>\$ 371,533,407.54</u>	<u>\$ 408,155,263.34</u>	<u>\$ 366,592,971.32</u>	<u>\$ 9,923,387.60</u>	<u>\$ 30,261,413.47</u>	<u>\$ 1,377,490.95</u>

(Continued)

**COUNTY OF CAMDEN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

	<u>Appropriations - Budget After Modification</u>	<u>Expended - Paid or Charged</u>
Appropriation by N.J.S.A.40A:4-87 Budget	\$ 36,621,855.80 <u>371,533,407.54</u>	
	<u>\$ 408,155,263.34</u>	
Reserve for Federal and State Grants--Appropriated		\$ 41,515,986.34
Reserve for Other Grants		483,796.00
Payroll Deductions Payable		65,147,039.65
Due Trust Fund:		
County Pension Funds		145,697.00
General Liability Self-Insurance Fund		304,552.00
Health Benefits Self-Insurance Fund		50,448,049.60
Due Capital Fund:		
Capital Improvement Fund		500,000.00
Disbursed		<u>208,047,850.73</u>
Total		<u>\$ 366,592,971.32</u>

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

**COUNTY OF CAMDEN**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2017 and 2016

<u>Assets</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Other Funds:			
Cash	SB-1	\$ 3,477,579.08	\$ 3,635,882.82
Community Development Block Grants Receivable	SB-2	4,267,575.75	4,638,738.91
Community Development Loans Receivable	SB-25	17,458,383.50	16,863,179.00
Due from the Office of the County Clerk	SB-16	4,264.00	3,438.00
Due from the Office of the County Clerk - Homelessness	SB-39	16,245.00	1,839.00
Due from the Office of the County Clerk - Convenience Fees	SB-50	7,042.00	
Due from the Office of the Surrogate	SB-22	480.00	1,984.00
Due from the Office of the Sheriff	SB-35	5,000.00	4,408.00
Due from Current Fund	SB-4	57,794,342.61	38,863,683.27
Due from Library Fund	SB-5	4,339,660.81	2,524,130.77
<b>Total Other Funds</b>		<b>87,370,572.75</b>	<b>66,537,283.77</b>
County Open Space Fund:			
Due from Current Fund	SB-36	7,141,132.36	8,150,705.21
Camden County Police Department:			
Due from State of New Jersey	SB-3	862,445.00	
Due from Current Fund	SB-46	42,755,120.43	35,829,716.61
<b>Total Camden County Police Department</b>		<b>43,617,565.43</b>	<b>35,829,716.61</b>
<b>Total Assets</b>		<b>\$ 138,129,270.54</b>	<b>\$ 110,517,705.59</b>
<u>Liabilities and Reserves</u>			
Other Funds:			
Motor Vehicle Fines Fund	SB-6	\$ 3,000,272.97	\$ 3,268,684.90
Road Opening Fees	SB-7	494,413.77	198,874.77
County Pension Funds	SB-8	149,784.41	145,193.31
Reserve for Encumbrances	SB-9	4,057,537.84	2,243,197.34
Reserves for:			
Road Improvements	B	0.15	598,228.15
Moneys Confiscated in Raids by County Prosecutor	SB-10	1,421,127.53	1,371,350.89
Bail Forfeitures	SB-11	556,693.64	387,674.89
Tax Appeal Fees	SB-12	271,453.40	285,837.57
Health Benefits Self-Insurance Fund	SB-13	38,205,240.30	19,296,455.59
General Liability Self-Insurance Fund	SB-14	9,926,359.11	8,987,844.11
Worker's Compensation Fund	SB-15	2,400,931.30	1,931,012.17
County Clerk Fees	SB-16	170,627.40	234,609.52
Community Development Block Grants	SB-17	2,624,590.51	3,862,526.62
Community Development Loans Receivable	SB-26	17,458,383.50	16,863,179.00
Special Law Enforcement	SB-18	1,499,310.11	1,627,291.93
Parks Department - Special Events	SB-19	11,782.52	109,183.93
Fire Marshal Fees	SB-20	173,776.40	171,215.40
Sheriff's Special Trust Fund	SB-21	48,193.51	27,375.56
Surrogate Fees	SB-22	673,924.23	592,144.88
Inmate Welfare Fund - Commissary Account	SB-23	33,408.11	266,783.55
Asset Maintenance	SB-24	7,773.12	4,720.50

(Continued)

**COUNTY OF CAMDEN**  
**TRUST FUND**  
**Statements of Assets, Liabilities and Reserves--Regulatory Basis**  
**As of December 31, 2017 and 2016**

<u>Liabilities and Reserves</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Other Funds (Cont'd):			
Weights and Measures	SB-38	\$ 217,492.70	\$ 80,641.43
Prosecutor's Department - Auto Theft	SB-28	54,143.20	53,067.14
Disposal of Forfeited Property - Federal Share - Justice Department:			
Corrections Department	B	2,267.20	2,267.20
Sheriff's Department	SB-48	39,288.71	27,315.61
Prosecutor's Department	SB-29	142,977.01	102,034.61
County Environmental Health Act -			
Hazardous Materials	SB-30	54,157.41	127,471.10
Noise	SB-31	49.89	49.89
Water	SB-32	75,636.56	75,267.94
Air	SB-33	51,361.95	42,016.53
Solid Waste	SB-34	21,838.20	26,371.95
Sheriff's Department Trust	SB-35	151,825.08	197,877.35
Homelessness Trust	SB-39	707,457.49	565,865.30
Unemployment	SB-40	56,891.60	29,462.13
Storm Recovery	SB-41	1,477,470.21	1,553,163.21
Municipal Law Enforcement Trust	SB-42	159,662.62	184,896.93
County Law Enforcement - State	SB-43	4,026.95	4,012.17
County Law Enforcement - Federal	SB-49	6,016.21	4,413.76
Accumulated Absences	SB-47	897,405.90	987,704.94
County Clerk Convenience Fees	SB-50	65,020.03	
<b>Total Other Funds</b>		<b>87,370,572.75</b>	<b>66,537,283.77</b>
County Open Space Fund:			
Reserve for Encumbrances	SB-37	2,598,755.26	4,369,475.05
Reserve for Open Space	SB-27	4,542,377.10	3,781,230.16
<b>Total Open Space Trust Fund</b>		<b>7,141,132.36</b>	<b>8,150,705.21</b>
Camden County Police Department:			
Reserve for Encumbrances	SB-45	2,012,209.58	2,588,981.21
Reserve for Camden County Police Department	SB-44	41,605,355.85	33,240,735.40
<b>Total Camden County Police Department</b>		<b>43,617,565.43</b>	<b>35,829,716.61</b>
<b>Total Liabilities and Reserves</b>		<b>\$ 138,129,270.54</b>	<b>\$ 110,517,705.59</b>

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



**COUNTY OF CAMDEN**  
 TRUST -- COUNTY OPEN SPACE FUND  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Anticipated Budget	Realized	Excess or (Deficit)
Amount to be Raised by Taxes	\$ 7,552,712.00	\$ 7,552,712.13	\$ 0.13
Reserve Funds	4,149,934.00	3,781,230.16	(368,703.84)
Interest on Deposits	9,390.00	24,286.22	14,896.22
Miscellaneous		12,969.17	12,969.17
	<u>\$ 11,712,036.00</u>	<u>\$ 11,371,197.68</u>	<u>\$ (340,838.32)</u>
 <u>Analysis of Realized Revenues</u>			
Current Year Levy		\$ 7,552,712.13	
Reserve Funds		3,781,230.16	
Interest on Deposits		24,286.22	
Refunds		12,969.17	
		<u>\$ 11,371,197.68</u>	

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

**COUNTY OF CAMDEN**  
 TRUST -- COUNTY OPEN SPACE FUND  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	
CCIA Lease Payments	\$ 1,697,044.00	\$ 1,410,000.00	\$ 1,410,000.00		
Debt Service					
Payment of Bond Loan Principal	430,000.00	430,000.00	430,000.00		
Interest on Bonds/Loans	182,106.00	469,150.00	469,144.18		\$ 5.82
Development of Lands for Recreation & Conservation:					
Salaries & Wages	179,000.00	179,000.00	149,452.44		29,547.56
Other Expenses	1,000,000.00	3,180,805.00	1,389,073.82	\$ 1,791,730.75	0.43
Maintenance of Lands for Recreation & Conservation:					
Other Expenses	3,500,000.00	3,215,590.00	3,215,590.00		
Historic Preservation:					
Other Expenses	300,000.00	935,229.00	130,513.73	804,714.45	0.82
Acquisition of Farmland	150,000.00	150,000.00			150,000.00
Acquisition of Lands for Recreation & Conservation	300,000.00	1,408,077.00	1,405,766.20	2,310.06	0.74
Reserve for Future Use	3,973,886.00	334,185.00			334,185.00
	<u>\$ 11,712,036.00</u>	<u>\$ 11,712,036.00</u>	<u>\$ 8,599,540.37</u>	<u>\$ 2,598,755.26</u>	<u>\$ 513,740.37</u>
			CCIA Lease Payments	\$ 1,410,000.00	
			CCIA Debt Service & Interest Payments	899,144.18	
			Open Space Fund - Reimbursement Contribution Current Fund	3,215,590.00	
			Other Open Space Expenditures	<u>3,074,806.19</u>	
				<u>\$ 8,599,540.37</u>	

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

**COUNTY OF CAMDEN**  
**TRUST -- CAMDEN COUNTY POLICE DEPARTMENT**  
**Statement of Revenues -- Regulatory Basis**  
**For the Year Ended December 31, 2017**

	Anticipated Budget	Realized	Excess or (Deficit)
CCPD Allocation	\$ 67,110,794.40	\$ 69,600,890.40	\$ 2,490,096.00
Reserve Funds	877,574.60	1,357,338.00	479,763.40
Bank Interest - Allocation		88,739.47	88,739.47
	<u>\$ 67,988,369.00</u>	<u>\$ 71,046,967.87</u>	<u>\$ 3,058,598.87</u>
 <u>Analysis of Realized Revenues</u>			
Current Year Allocation		\$ 67,110,794.40	
Prior Year Allocation		2,490,096.00	
Reserve Funds		1,357,338.00	
CCPD Portion of Current Fund Bank Interest		88,739.47	
		<u>\$ 71,046,967.87</u>	

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

**COUNTY OF CAMDEN**  
 TRUST -- CAMDEN COUNTY POLICE DEPARTMENT  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

	Appropriations		Expended		Unexpended Balance
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
Civilian:					
Salaries & Wages	\$ 4,488,818.00	\$ 4,488,818.00	\$ 2,024,570.44		\$ 2,464,247.56
Sworn:					
Salaries & Wages	42,999,001.00	42,999,001.00	19,129,200.19		23,869,800.81
Other Expenses	20,500,550.00	20,500,550.00	4,955,318.54	\$ 1,882,242.87	13,662,988.59
	<u>\$ 67,988,369.00</u>	<u>\$ 67,988,369.00</u>	<u>\$ 26,109,089.17</u>	<u>\$ 1,882,242.87</u>	<u>\$ 39,997,036.96</u>

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

**COUNTY OF CAMDEN**  
 TRUST -- CAMDEN COUNTY POLICE DEPARTMENT  
 Statement of 2016 Appropriation Reserves  
 For the Year Ended December 31, 2017

	<u>Encumbered</u>	<u>Reserved</u>	<u>Appropriations</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Lapsed to Reserve</u>	<u>Unexpended Balance in Reserve</u>
Year Ended 6/30/15:								
Civilian:								
Salaries & Wages		\$ 608.04		\$ 608.04			\$ 608.04	
Sworn:								
Salaries & Wages		990.03		990.03	\$ (97,094.88)		98,084.91	
Other Expenses		877,142.35		877,142.35			877,142.35	
Total Year Ended 6/30/15	-	878,740.42	-	878,740.42	<b>(97,094.88)</b>	-	975,835.30	-
Year Ended 6/30/16:								
Civilian:								
Salaries & Wages		19,260.35		19,260.35			19,260.35	
Sworn:								
Salaries & Wages		431,340.42		431,340.42	(461,214.90)		892,555.32	
Other Expenses	\$ 270,581.14	573,889.78		844,470.92	196,049.45		648,421.47	
Total Year Ended 6/30/16	270,581.14	1,024,490.55	-	1,295,071.69	(265,165.45)	-	1,560,237.14	-
Year Ended 6/30/17:								
Civilian:								
Salaries & Wages		2,233,063.88		2,471,156.66	2,471,156.66			
Sworn:								
Salaries & Wages		24,652,119.88		24,414,027.10	24,222,556.31			\$ 191,470.79
Other Expenses	2,318,400.07	3,998,261.76	\$ 3,847,434.00	10,164,095.83	9,428,940.24	\$ 129,966.71		605,188.88
Total Year Ended 6/30/17	2,318,400.07	30,883,445.52	3,847,434.00	37,049,279.59	36,122,653.21	129,966.71	-	796,659.67
	<u>\$ 2,588,981.21</u>	<u>\$ 32,786,676.49</u>	<u>\$ 3,847,434.00</u>	<u>\$ 39,223,091.70</u>	<u>\$ 35,760,392.88</u>	<u>\$ 129,966.71</u>	<u>\$ 2,536,072.44</u>	<u>\$ 796,659.67</u>
					CCPD Salaries & Wages	\$ 26,232,498.07		
					CCPD Other Expenditures	9,527,894.81		
						<u>\$ 35,760,392.88</u>		

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

**COUNTY OF CAMDEN**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2017 and 2016

<u>Assets</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Deferred Charges to Future Taxation:			
Funded	SC-2	\$ 36,331,134.56	\$ 39,094,956.80
Unfunded	SC-3	47,421,350.00	35,665,125.00
Due from Trustee--Acquisition Funding Account	SC-4	14,714,430.66	20,077,898.87
Due from Trustee--Other Receivables	C	136,833.01	136,833.01
Due from Current Fund	SC-8	28,289,564.81	3,484,651.50
Green Acres Grant Receivable	C	796,000.00	796,000.00
Amount to be Provided by Lease Payments	SC-13	60,295,097.03	68,362,030.06
Amount to be Provided by Capital Loan Agreement	SC-14	314,760,000.00	310,725,000.00
Grants Receivable	SC-5	2,696,000.00	4,024,000.00
Breathalyzer Charges Receivable	C	64,789.33	64,789.33
Other Accounts Receivable	See Note 17	132,528.23	132,528.23
<b>Total Assets</b>		<b>\$ 505,637,727.63</b>	<b>\$ 482,563,812.80</b>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable	SC-6	\$ 36,125,000.00	\$ 38,850,000.00
Loans Payable:			
Green Acres -			
Children's Garden	SC-7	206,134.56	244,956.80
Improvement Authorizations:			
Funded	SC-10	4,675,640.85	6,239,979.45
Unfunded	SC-10	18,193,614.50	25,727,103.73
Bond Anticipation Notes	SC-11	35,461,125.00	-
Reserve for Encumbrances	SC-12	27,203,452.98	22,534,285.79
Capital Improvement Fund	SC-16	72,605.87	191,380.87
Reserve for Arbitrage Interest	SC-9	88,600.05	88,600.05
Reserve for Other Accounts Receivable	See Note 17	132,528.23	132,528.23
Obligations Under Capital Lease	SC-13	60,295,097.03	68,362,030.06
Obligations Under Capital Loan Agreement	SC-14	314,760,000.00	310,725,000.00
Reserve for Payment of Debt Service	SC-15	4,793,125.09	5,117,940.55
Reserve for Grants Receivable	SC-5	2,696,000.00	4,024,000.00
Reserve for Breathalyzer Charges Receivable	C	64,789.33	64,789.33
Fund Balance	C-1	870,014.14	261,217.94
<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 505,637,727.63</b>	<b>\$ 482,563,812.80</b>

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

**COUNTY OF CAMDEN**  
**GENERAL CAPITAL FUND**  
Statement of Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2017

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Balance Dec. 31, 2016	\$ 261,217.94
Increased by:	
Net Premium on Serial Bonds Issued	<u>608,796.20</u>
Balance Dec. 31, 2017	<u><u>\$ 870,014.14</u></u>

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

**COUNTY OF CAMDEN**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
Statement of General Fixed Asset Group of Accounts--Regulatory Basis  
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	Balance Dec. 31, 2017
General Fixed Assets:					
Land & Land Improvements	\$ 1.00				\$ 1.00
Buildings	129,918,649.80				129,918,649.80
Equipment & Vehicles	29,828,733.10	\$ 984,727.75	\$ 817,575.93	\$ 27,524.00	30,023,408.92
Total General Fixed Assets	<u>\$ 159,747,383.90</u>	<u>\$ 984,727.75</u>	<u>\$ 817,575.93</u>	<u>\$ 27,524.00</u>	<u>\$ 159,942,059.72</u>
Total Investment in General Fixed Assets	<u>\$ 159,747,383.90</u>				<u>\$ 159,942,059.72</u>

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



**COUNTY OF CAMDEN**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2017**

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

**Description of Financial Reporting Entity** - The County of Camden, formerly part of Gloucester County, was established in 1844. The County, approximately 222 square miles in area, is in the southwestern part of the State of New Jersey along the east bank of the Delaware River opposite Philadelphia, Pennsylvania. The counties of Burlington, Atlantic and Gloucester border the County on, respectively the northeast, southeast and southwest, with the Delaware River forming the western border of the County.

The County operates under the freeholder form of government. The Board of Chosen Freeholders consists of seven freeholder members elected at-large for three-year terms on a staggered basis. Each year, the board elects one of the Freeholders to serve as Freeholder Director. The Freehold Director appoints Freeholders to be in charge of various committees. The Board, operating through the committee system, is charged with both executive and legislative responsibilities for: (1) formulating policies; (2) developing new programs; (3) appointing members of the various County commissions, authorities and boards; (4) approving the County's operating and capital budgets; and (5) appropriating the funds required from the thirty-seven municipal subdivisions of the County to maintain all County services.

The County Administrator, appointed by the Board, oversees the daily governmental operations. Each major department is headed by an administrator who acts as liaison to the Freeholder overseeing such department's operations. Financial matters are under the supervision of the County's Chief Financial Officer.

**Component Units** - The financial statements of the component units of the County of Camden 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*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. If the provisions of the aforementioned GASB Statements 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:

Camden County Library Commission  
 203 Laurel Road  
 Voorhees, New Jersey 08043

Camden County Improvement Authority  
 2220 Voorhees Town Center  
 Voorhees, New Jersey 08043

Camden County Technical Schools  
 343 Berlin Cross Keys Road  
 Sicklerville, NJ 08081

Camden County Municipal Utilities Authority  
 1645 Ferry Avenue  
 Camden, New Jersey 08104

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

**Component Units (Cont'd)** –

Camden County Board of Social Services  
600 Market Street  
Camden, New Jersey 08102

Pollution Control Financing Authority of  
Camden County  
9600 River Road  
Pennsauken, New Jersey 08110

Camden County College  
College Drive  
Blackwood, NJ 08012

Camden County Insurance Commission  
9 Campus Drive, Suite 16  
Parsippany, NJ 07054

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the County of Camden 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 principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the *Requirements*, the County of Camden accounts for its financial transactions through the use of separate funds and an account group 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.

**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.

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

**Budgets and Budgetary Accounting** - The County of Camden must adopt an annual budget in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the County to introduce and approve the annual budget no later than January 26 of each year. At introduction, the County 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 County may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; 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 authorities and other state agencies.

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

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

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

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

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

**General Fixed Assets** - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget'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.

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.

**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 Balance included in the current fund represents 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. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the County's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the County which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

**Property Tax Revenues** - Every municipality in the county is responsible for levying, collecting and remitting county taxes for the County of Camden. Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1 and are due and payable to the County of Camden by February 15, May 15, August 15, and November 15. 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.

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

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

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

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund.

**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.

**Pensions** - 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 fiduciary net position of the Police and Firemen's Retirement System (PFRS) and the Public Employees' Retirement System (PERS), and additions to/deductions from PFRS' and PERS' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, 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.

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 trust funds such as salary withholdings, bail funds, or funds that may pass to the County relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized as noted below.

As of December 31, 2017, of the County's bank balance of \$260,290,246.17, \$4,140,740.38 was uninsured and uncollateralized.

Note 3: **PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Tax Rate	<u>\$.8192</u>	<u>\$.8159</u>	<u>\$.8082</u>	<u>\$.7840</u>	<u>\$.7646</u>
Open Space Tax Rate	<u>\$.0200</u>	<u>\$.0200</u>	<u>\$.0200</u>	<u>\$.0200</u>	<u>\$.0200</u>

**Assessed Valuation**

2017	\$37,763,560,647
2016	37,296,017,018
2015	36,820,011,052
2014	37,266,969,933
2013	37,528,970,405

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$308,631,000	\$308,631,000	100.00%
2016	302,639,654	302,639,654	100.00%
2015	296,996,717	296,996,717	100.00%
2014	291,262,738	291,262,738	100.00%
2013	285,555,857	285,555,857	100.00%

Note 4: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b><u>Current Fund</u></b>			
2017	\$68,985,413.35	\$17,417,382.00	28.56%
2016	55,228,808.15	16,148,579.00	29.24%
2015	48,542,538.08	13,965,634.00	28.77%
2014	47,188,517.64	11,247,791.00	23.84%
2013	40,035,590.23	11,247,791.00	28.09%

Note 5: **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, 2017:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund		\$137,902,974.46
Federal and State Grant Fund	\$ 1,922,814.25	
Trust Other Funds	100,549,463.04	
Trust Open Space Fund	7,141,132.36	
General Capital Fund	28,289,564.81	
	<u>\$137,902,974.46</u>	<u>\$137,902,974.46</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2018, the County expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 6: 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.state.nj.us/treasury/pensions/financial-reports.shtml>

**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 6: **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<sup>th</sup> 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<sup>th</sup> 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 with 25 years or more of service credit before age 62, 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 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 6: **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 7.20% in State fiscal year 2017. 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) was 10% in State fiscal year 2017. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The County's contractually required contribution rate for the year ended December 31, 2017 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, 2017, the County's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$7,802,916.00, and is payable by April 1, 2018. 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, 2016, the County's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$7,072,005.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$4,451,841.85.

Note 6: **PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**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 was 10% in State fiscal year 2017. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

*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, 2017 was 26.79% 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, 2017, the County's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$15,753,200.00, and is payable by April 1, 2018. 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, 2016, the County's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$15,155,538.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$6,033,095.53.

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, 2017 was 2.62% of the County's covered payroll.

Note 6: **PENSION PLANS (CONT'D)**

**General Information about the Pension Plans (Cont'd)**

**Contributions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2017 is \$1,539,101.00, and is payable by April 1, 2018. Based on the 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 was \$1,142,528.00, which was paid on April 1, 2017.

**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, 2017, employee contributions totaled \$258,594.20, and the County's contributions were \$141,048.93. There were no forfeitures during the year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees' Retirement System** - At December 31, 2017, the County's proportionate share of the PERS net pension liability was \$196,071,615.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. 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, 2017 measurement date, the County's proportion was 0.8422898585%, which was an increase of 0.0462387087% from its proportion measured as of June 30, 2016.

At December 31, 2017, the County's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$17,962,427.00. 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, 2017, the County's contribution to PERS was \$7,072,005.00, and was paid on April 1, 2017.

**Police and Firemen's Retirement System** - At December 31, 2017, 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	\$274,795,345.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	<u>30,779,393.00</u>
	<u>\$305,574,738.00</u>

Note 6: **PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. 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, 2017 measurement date, the County's proportion was 1.7799854746%, which was a decrease of (0.0788129381%) from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the County, was 1.7799854746%, which was a decrease of (0.0788129381%) from its proportion, on-behalf of the County, measured as of June 30, 2016.

At December 31, 2017, the County's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$37,397,808.00. 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, 2017, the County's contribution to PFRS was \$15,155,538.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the County, calculated by the Plan as of the June 30, 2017 measurement date is \$3,765,015.00. This on-behalf expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2017, 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	\$ 4,616,810.00	\$ 1,782,710.00	\$ 6,399,520.00	\$ -	\$ 1,612,820.00	\$ 1,612,820.00
Changes of Assumptions	39,501,674.00	33,885,327.00	73,387,001.00	39,356,853.00	45,003,443.00	84,360,296.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,335,116.00	5,243,739.00	6,578,855.00	-	-	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	14,957,740.00	41,901,730.00	56,859,470.00	1,908,664.00	15,891,913.00	17,800,577.00
County Contributions Subsequent to the Measurement Date	3,901,458.00	7,876,600.00	11,778,058.00	-	-	-
	<u>\$ 64,312,798.00</u>	<u>\$ 90,690,106.00</u>	<u>\$ 155,002,904.00</u>	<u>\$ 41,265,517.00</u>	<u>\$ 62,508,176.00</u>	<u>\$ 103,773,693.00</u>

\$3,901,458.00 and \$7,876,600.00 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, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the County's year end of December 31, 2017.

Note 6: **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	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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
June 30, 2017	5.48	-	5.59	-
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	-
June 30, 2017	-	5.48	-	5.59
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	-
June 30, 2017	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
June 30, 2017	5.48	5.48	5.59	5.59

Note 6: **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:

<b><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2018	\$ 8,043,264.00	\$ 15,689,227.00	\$ 23,732,491.00
2019	10,392,775.00	21,401,432.00	31,794,207.00
2020	7,511,275.00	3,403,307.00	10,914,582.00
2021	(3,593,095.00)	(13,365,023.00)	(16,958,118.00)
2022	(3,208,396.00)	(6,823,613.00)	(10,032,009.00)
	<u>\$ 19,145,823.00</u>	<u>\$ 20,305,330.00</u>	<u>\$ 39,451,153.00</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate	2.25%	2.25%
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	7.00%	7.00%
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 6: **PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, 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. Postretirement 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, preretirement mortality rates were based on the RP-2000 Preretirement 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 three years using the Plan actuary's modified 2014 projection scales and 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 on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then three years using the Plan actuary's modified 2014 projection scales and 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 (7.00% at June 30, 2017) 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, 2017 are summarized in the following table:



Note 6: **PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% 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 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, 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 40% 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 2040 for PERS and through 2057 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Note 6: **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, 2017, the Plan's measurement date, calculated using a discount rate of 5.00%, 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:

	<b>PERS</b>		
	<b>1% Decrease (4.00%)</b>	<b>Current Discount Rate (5.00%)</b>	<b>1% Increase (6.00%)</b>
County's Proportionate Share of the Net Pension Liability	<u>\$243,240,146.00</u>	<u>\$196,071,616.00</u>	<u>\$156,774,384.00</u>

**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, 2017, the Plan's measurement date, for the County and the State of New Jersey, calculated using a discount rate of 6.14%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>PFRS</b>		
	<b>1% Decrease (5.14%)</b>	<b>Current Discount Rate (6.14%)</b>	<b>1% Increase (7.14%)</b>
County's Proportionate Share of the Net Pension Liability	\$362,065,497.00	\$274,795,345.00	\$203,092,992.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	<u>40,554,385.04</u>	<u>30,779,393.00</u>	<u>22,748,125.54</u>
	<u>\$402,619,882.04</u>	<u>\$305,574,738.00</u>	<u>\$225,841,117.54</u>

**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 <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 6: **PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 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 Five Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.8422898585%	0.7960511498%	0.7871615483%
County's Proportionate Share of the Net Pension Liability	\$ 196,071,615.00	\$ 235,767,518.00	\$ 176,701,994.00
County's Covered Payroll (Plan Measurement Period)	\$ 57,979,880.00	\$ 53,993,060.00	\$ 53,385,296.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	338.17%	436.66%	330.99%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
County's Proportion of the Net Pension Liability	0.7261515294%	0.7525099722%	
County's Proportionate Share of the Net Pension Liability	\$ 135,955,427.00	\$ 143,819,607.00	
County's Covered Payroll (Plan Measurement Period)	\$ 49,478,020.00	\$ 51,600,836.00	
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	274.78%	278.72%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

Note 6: **PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the County's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Contractually Required Contribution	\$ 7,802,916.00	\$ 7,072,005.00	\$ 6,767,478.00
County's Contribution in Relation to the Contractually Required Contribution	<u>(7,802,916.00)</u>	<u>(7,072,005.00)</u>	<u>(6,767,478.00)</u>
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (Calendar Year)	\$ 58,608,571.00	\$ 58,117,162.00	\$ 54,513,835.00
County's Contributions as a Percentage of Covered Payroll	13.31%	12.17%	12.41%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
County's Contractually Required Contribution	\$ 5,986,288.00	\$ 5,670,009.00	
County's Contribution in Relation to the Contractually Required Contribution	<u>(5,986,288.00)</u>	<u>(5,670,009.00)</u>	
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
County's Covered Payroll (Calendar Year)	\$ 52,687,329.00	\$ 49,828,432.00	
County's Contributions as a Percentage of Covered Payroll	11.36%	11.38%	

Note 6: **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 Five Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	1.7799854746%	1.8587984127%	1.7671815323%
County's Proportionate Share of the Net Pension Liability	\$274,795,345.00	\$355,078,044.00	\$294,350,842.00
State's Proportionate Share of the Net Pension Liability associated with the County	<u>30,779,393.00</u>	<u>29,817,749.00</u>	<u>25,813,582.00</u>
Total	<u>\$305,574,738.00</u>	<u>\$384,895,793.00</u>	<u>\$320,164,424.00</u>
County's Covered Payroll (Plan Measurement Period)	\$ 57,492,628.00	\$ 59,609,448.00	\$ 56,040,476.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	477.97%	595.67%	525.25%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
County's Proportion of the Net Pension Liability	1.6322006103%	1.2179736907%	
County's Proportionate Share of the Net Pension Liability	\$205,315,698.00	\$161,918,611.00	
State's Proportionate Share of the Net Pension Liability associated with the County	<u>22,109,050.00</u>	<u>15,092,782.00</u>	
Total	<u>\$227,424,748.00</u>	<u>\$177,011,393.00</u>	
County's Covered Payroll (Plan Measurement Period)	\$ 42,404,244.00	\$ 38,441,676.00	
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	484.19%	421.21%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

Note 6: **PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the County's Contributions - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Contractually Required Contribution	\$ 15,753,200.00	\$ 15,155,538.00	\$ 14,364,550.00
County's Contribution in Relation to the Contractually Required Contribution	<u>(15,753,200.00)</u>	<u>(15,155,538.00)</u>	<u>(14,364,550.00)</u>
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (Calendar Year)	\$ 58,797,150.00	\$ 57,507,426.00	\$ 58,581,505.00
County's Contributions as a Percentage of Covered Payroll	26.79%	26.35%	24.52%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
County's Contractually Required Contribution	\$ 12,536,428.00	\$ 8,886,065.00	
County's Contribution in Relation to the Contractually Required Contribution	<u>(12,536,428.00)</u>	<u>(8,886,065.00)</u>	
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
County's Covered Payroll (Calendar Year)	\$ 56,342,864.00	\$ 46,593,073.00	
County's Contributions as a Percentage of Covered Payroll	22.25%	19.07%	

Note 6: **PENSION PLANS (CONT'D)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, 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 \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 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 - In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

Changes in Assumptions - For 2017, the discount rate changed to 6.14% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%, 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 7: COMPENSATED ABSENCES**

County employees are entitled to paid sick leave each year. The various Union contracts and or years of service define the number of sick leave days that can be earned. Accumulated sick leave may be carried forward until retirement. Unused sick benefits may be paid upon retirement. Union contracts define which employees are entitled to receive compensation for unused sick leave and the rate of pay at which they will be paid.

Unused vacation days for the year may be accumulated and carried forward up to a maximum of one year allowed vacation time.

All full time union employees are entitled to time off (Comp-Time) in lieu of receiving pay for overtime worked at the rate of one and one half hours for every hour worked.

Unused Comp-Time may be accumulated and carried forward indefinitely and upon termination or retirement must be paid in full at the employees' current rate of pay.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At year end the balance of the fund was \$897,405.90. It is estimated that at December 31, all accrued time is valued at \$12,119,892.59 which is a net increase of \$552,498.59 from last year.

**Note 8: DEFERRED COMPENSATION SALARY ACCOUNT**

The County offers its eligible employees two Deferred Compensation Plans in accordance with Internal Revenue Code Section 457, which have been approved by the Division of Local Government Services. The first plan is a contributory plan available to all eligible employees at their option. The second plan is a contributory plan available only to employees who work for Camden County One Stop and are not eligible to join the PERS system. These plans permit the employees to defer a portion of their salaries to future years. The amounts so deferred are not available to the employees until termination, retirement, death or unforeseeable emergency.

The County also offers the employees of Camden County One Stop, a non-contributory Variable Defined Contribution Plan in order to give those employees who cannot belong to the PERS system benefits similar to the other employees. This plan consists of contributions made by the employer on behalf of the employees at the same rate as if they were members of the PERS system. The contributions are not vested until the fifth year of participation.

All deferred compensation plan assets, including those deferred under Section 457, 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 any of these Plans, the balances and activities of the Plans are not reported in the County's financial statements.



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**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

**Plan Description** – The County Freeholders approved leaving the State Health Benefit Plan effective December 1, 2015 and created the County's defined benefit postemployment healthcare plan, the Camden County Postemployment Benefits Plan (the "County Plan"), which allows employees retiring with twenty-five (25) or more years of service with Camden County and/or affiliated organizations and twenty-five (25) or more years of service credit in a state or locally administered retirement system, and employees retiring on an accidental disability pension, to receive fully paid health and prescription benefits. The County Plan also allows employees retiring at age 62 or older with at least fifteen (15) years of service with Camden County and/or affiliated organizations; or retiring with at least ten (10) years of service with Camden County and/or affiliated organizations and twenty-five (25) or more years of service credit in a state or locally administered retirement system; or retiring on an ordinary disability pension, to receive health and prescription benefits subject to a variety of co-pays based on years of service and respective retirement system.

The County Plan is a single-employer postemployment healthcare plan administered by the County. The benefit provisions of the plans' members that participate may be established or amended by the respective employer entities; for the County Plan that authority rests with the Board of Chosen Freeholders. The plan does not issue a separate financial report.

**Funding Policy** - The contribution requirement of the County is established by policy of the Board of Chosen Freeholders and reflected in the various union contracts. The Board may amend its policy, subject to contract inclusion, as deemed necessary. The required contribution is based on projected pay-as-you-go financing requirements.

**Retirees** - 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. Through November 2015, the County contributed \$14,213,364.50 to the State Health Benefit Plan and contributed \$1,614,693.84 in December 2015 and \$19,813,575.48 and \$15,286,470.08 in 2016 and 2017, respectively to the County plan for current premiums. Various factors, as stipulated in employee contracts, dictate whether plan members are required to make contributions to the plan.

**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 \$55,059,396.64 at an unfunded discount rate of 4.0%. As stated above, the County has funded the cost of existing retirees in the amount of \$15,286,470.08, and has incurred the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

**Annual OPEB Cost** - The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Note 9: **POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

**Annual OPEB Cost (Cont'd)** - The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the County's net OPEB obligation to the Plan:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Required Contribution (ARC)	\$ 55,059,396.64	\$ 57,538,257.55	\$ 4,794,854.80
Interest on the Net OPEB Obligation	1,561,136.58	127,206.44	-
Adjustment to the ARC	(3,855,836.91)	(980,502.99)	-
Annual OPEB Cost	52,764,696.31	56,684,961.00	4,794,854.80
Pay-as-You Go Cost (Existing Retirees)	(15,286,470.08)	(19,813,575.48)	(1,614,693.84)
Change in the Net OPEB Obligation	37,478,226.23	36,871,385.52	3,180,160.96
Net OPEB Obligation, January 1	40,051,546.48	3,180,160.96	-
Net OPEB Obligation, December 31	<u>\$ 77,529,772.71</u>	<u>\$ 40,051,546.48</u>	<u>\$ 3,180,160.96</u>
Percentage of Annual OPEB Cost Contributed	29.0%	35.0%	33.7%

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

	<u>2017</u>	<u>2015</u>
Actuarial Accrued Liability (AAL)	\$ 630,508,762.34	\$ 697,662,791.86
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 630,508,762.34</u>	<u>\$ 697,662,791.86</u>
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0%	0%
Covered Payroll (Active Plan Members)	\$ 102,000,906.00	\$ 100,082,114.00
UAAL as a Percentage of Covered Payroll	618.1%	697.1%

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.

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**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

**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 2017 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 2006 Combined Healthy Male/Female Mortality Rates with fully generational projection
- *Turnover.* NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility.
- *Assumed Retirement Age.* at first eligibility after completing 15 years of service.
- *Full Attribution Period.* service to assumed retirement age.
- *Annual Discount Rate.* Future costs have been discounted at the rate of 4.0% compounded annually for GASB 45 purposes.
- *Rates of Retirement, Rates of Withdrawal, and Rates of Disability.* The tables used to value the Public Employees' Retirement System of New Jersey - Local liability and the Police and Firemen's Retirement System of New Jersey.
- *Medical Trend.* For pre-Medicare PPO medical benefits, this amount initially is 5.85% and decreases to a 5.0% long-term trend rate after ten years. For post-65 PPO medical benefits, the trend rate is 4.5%. For HMO medical benefits, the trend rate is initially 5.85% and decreases to a 5.0% long-term trend rate after ten years. For prescription drug benefits, the initial trend rate is 10.25% decreasing to a 5.0% long-term trend rate after nine years.
- *Medical Cost Aging Factor.* 3.0% grading to 0.0% by 90+ years of age for medical and 4.8% grading to 0.0% by 90+ years of age for prescription.
- *Retiree Contributions.* 4.50% grading to 35.0% for single coverage and 3.43% grading to 35.0% for family coverage of the annual premium coverage is required from eligible retirees.

Note 10: **LEASE OBLIGATIONS**

At December 31, 2017, the County had future minimum rental payments under capital and operating leases as follows:

**Capital Leases** - The following is an analysis of the County's capital leases:

<u>Description</u>	<u>Balance at December 31,</u>	
	<u>2017</u>	<u>2016</u>
Vehicles	\$284,137.70	\$306,635.65
Equipment	562,204.32	493,827.17

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

<u>Year</u>	<u>Amount</u>
2018	\$600,195.12
2019	323,897.67
2020	161,124.99

Future minimum lease payments under capital lease agreements with the Camden County Improvement Authority (CCIA) for capital improvement programs are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$9,064,258.95
2019	9,014,259.83
2020	10,363,004.89
2021	10,352,490.33
2022	8,093,300.04
2023-27	21,831,113.30
2028	15,196.69

The minimum lease payments are net of Chapter 12 State Aid proceeds.

Payments under capital leases with the CCIA, net of Chapter 12 State Aid, for the year 2017 were \$22,912,649.87.

**Operating Leases** - Future minimum payments under operating lease agreements for building rentals are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$2,297,623.20
2019	1,875,102.02
2020	1,788,056.33

Payments under operating leases for the year 2017 were \$2,730,197.94

Note 11: **CAPITAL DEBT****Summary of Debt**

	<b><u>Year 2017</u></b>	<b><u>Year 2016</u></b>	<b><u>Year 2015</u></b>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes Authorized by Another Public Body Guaranteed by the County – Capital Loan Agreement	\$ 71,792,259.56	\$ 39,094,956.80	\$ 35,978,014.10
Bonds Authorized by Another Public Body Guaranteed by the County	314,760,000.00	310,725,000.00	268,720,000.00
	<u>241,363,213.03</u>	<u>288,955,187.06</u>	<u>354,569,335.55</u>
Total Issued	<u>627,915,472.59</u>	<u>638,775,143.86</u>	<u>659,267,349.65</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	11,960,225.00	35,665,125.00	204,000.00
Total Issued and Authorized but Not Issued	<u>639,875,697.59</u>	<u>674,440,268.86</u>	<u>659,471,349.65</u>
Deductions:			
Accounts Receivable Pledged to pay bonds	114,260.00	114,260.00	114,260.00
Funds Temporarily Held to Pay Bonds	4,793,125.09	5,117,940.55	7,912,373.36
Pension Refunding Bonds	3,435,000.00	4,115,000.00	4,735,000.00
Bonds Authorized by Another Public Body Guaranteed by the County	<u>241,363,213.03</u>	<u>288,955,187.06</u>	<u>354,569,335.55</u>
Total Deductions	<u>249,705,598.12</u>	<u>298,302,387.61</u>	<u>367,330,968.91</u>
Net Debt	<u>\$ 390,170,099.47</u>	<u>\$ 376,137,881.25</u>	<u>\$ 292,140,380.74</u>

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.045%.

	<b><u>Gross Debt</u></b>	<b><u>Deductions</u></b>	<b><u>Net Debt</u></b>
General	<u>\$639,875,697.59</u>	<u>\$249,705,598.12</u>	<u>\$390,170,099.47</u>

Net Debt \$390,170,099.47 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$37,322,336,944.00 equals 1.045%.

Note 11: **CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A.40A:2-6 As Amended**

2% of Equalized Valuation Basis (County)	\$746,446,739.88
Net Debt	<u>390,170,099.47</u>
Remaining Borrowing Power	<u>\$356,276,640.41</u>

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

<u>Year</u>	<u>General Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 2,855,000.00	\$1,021,780.01	\$3,876,780.01
2019	3,420,000.00	947,608.76	4,367,608.76
2020	3,850,000.00	861,069.38	4,711,069.38
2021	3,715,000.00	770,626.25	4,485,626.25
2022	2,800,000.00	676,906.25	3,476,906.25
2023-27	12,890,000.00	2,224,693.75	15,114,693.75
2028-31	6,595,000.00	445,356.28	7,040,356.28
	<u>\$36,125,000.00</u>	<u>\$6,948,040.68</u>	<u>\$43,073,040.68</u>

On June 29, 2010, August 3, 2011, April 18, 2012, May 7, 2014, June 30, 2015 and June 28, 2016 the County issued serial bonds to finance infrastructure improvements at Camden County College totaling \$38,863,000.00 with final maturity on March 1, 2031, with interest rates ranging from 2.00% to 4.50%.

On May 1, 2013 the County issued \$5,825,000.00 in Refunding Bonds with regard to the Early Retirement Incentive with a final maturity on October 1, 2021, with interest rates ranging from 0.50% to 2.15%.

On June 28, 2016 the County issued \$2,600,000.00 in County College Refunding Bonds with a final maturity on March 1, 2023, with interest rates ranging from 1.00% to 5.00%.

**Schedule of Annual Debt Service for Principal and Interest for Children's' Garden Loan**

<u>Year</u>	<u>Children's Garden Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 39,602.57	\$ 3,925.67	\$ 43,528.24
2019	40,398.58	3,129.65	43,528.23
2020	41,210.59	2,317.64	43,528.23
2021	42,038.93	1,489.31	43,528.24
2022	42,883.89	644.35	43,528.24
	<u>\$206,134.56</u>	<u>\$11,506.62</u>	<u>\$217,641.18</u>

Note 11: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for County Capital Loan Agreement**

<u>Year</u>	<u>Capital Loan Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 19,715,000.00	\$ 16,107,830.77	\$35,822,830.77
2019	19,640,000.00	15,388,673.87	35,028,673.87
2020	17,150,000.00	14,120,886.22	31,270,886.22
2021	17,930,000.00	13,306,282.54	31,236,282.54
2022	20,260,000.00	11,774,047.04	32,034,047.04
2023-27	106,685,000.00	40,494,507.42	148,349,507.42
2028-32	67,785,000.00	19,577,933.11	87,362,933.11
2033-37	30,695,000.00	7,802,456.20	38,497,456.20
2038-40	13,730,000.00	1,041,825.70	14,771,825.70
	<u>\$314,760,000.00</u>	<u>\$139,614,442.87</u>	<u>\$454,374,442.87</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 12: **CAPITAL DEBT REFUNDING/PRIOR YEAR DEFEASANCE OF DEBT**

During 2017, the County refunded the following issues:

On November 2, 2017, the County guaranteed Loan Revenue Refunding bonds issued in the amount of \$24,510,000 by the Camden County Improvement Authority with interest rates between 3.00% and 5.00%. The Loan Revenue Refunding bonds were issued to advance refund \$24,815,000 of County outstanding 2013 Loan Revenue bonds. Present value savings for both issues combined was \$1,338,321.21.

In prior years, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. On December 31, 2017, \$103,235,000 of bonds outstanding are considered defeased.

Note 13: **INMATE WELFARE FUND**

The Camden County Prisoners' Welfare Fund accounts for the receipt and disbursement of funds for prisoners' welfare operations of a general nature, including the accounting for inmates' deposits and commissary functions. Each inmate is charged a user fee of \$35 at the time of admission into the facility. Additionally, after the first week of served time, each inmate's account is charged \$5 rent per day. The Welfare Fund accounts for inmates' wages earned by performing various work functions throughout the correctional facility and charges to inmates for medical visits. The inmate's account is credited at \$1.25 per day for work performed.

The latest audit report for the Inmate Welfare Fund, as of December 31, 2008, indicates a balance due and payable to the County of Camden in the amount of \$1,159,053.32. The balance due is comprised of the user fee, as defined in the preceding paragraph, the medical co-pay inmates are charged for medical visits and the salaries of employees assigned to inmate welfare duties.

The County of Camden financial records do not include a receivable to match the Inmate Welfare Fund payable because the County has deemed the receivable as uncollectible. Future payments from the Inmate Welfare Fund will be recorded as revenue when received.

The County realized revenue as follows:

<u>Year</u>	<u>Revenue Realized</u>	<u>Year</u>	<u>Revenue Realized</u>
2017	\$250,000.00	2012	\$250,000.00
2016	250,000.00	2011	250,000.00
2015	250,000.00	2010	500,000.00
2014	250,000.00	2009	800,000.00
2013	250,000.00		

Note 14: **RESERVE FOR INTEREST REBATE**

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

The County established a reserve account in 1989, in case a rebate payment was required. At December 31, 2017 the County has a reserve balance of \$88,600.05. The County may need to establish additional reserves to fund any actual rebate liability, should the amount exceed the current reserve at the time a final calculation is performed to determine the actual rebate liability.

The amount of contingent liability for rebate may change as a result of future events. Therefore, any potential rebate liability is only an estimate and is not required to be paid or accrued at December 31, 2017.



Note 15: **RISK MANAGEMENT/JOINT INSURANCE POOLS**

The County is partially self-insured for Medical and Prescription Drug coverages, Property Damage, Automobile/General Liability, Crime and Workers' Compensation, with excess insurance on all coverages. The County and its boards, agencies, authorities and commissions presently purchase insurance or self-insure against risks of damage to persons or property of third parties, workers' compensation claims and claims against public officials through the Camden County Insurance Commission (the "Commission"), established on January 21, 2010, by Board resolution pursuant to N.J.S.A. 40A:10-6. The Commission is governed by three County officials who serve as commissioners and are appointed by the Board. Excess insurance is managed by the New Jersey Counties Excess Joint Insurance Fund, established in March 2010. As of December 31, 2017, member counties in New Jersey include the County, the County of Gloucester, the County of Union, the County of Burlington, the County of Cumberland, the County of Atlantic, the County of Mercer, the County of Hudson and the County of Ocean.

The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability	Motor Vehicles
Liability other than Motor Vehicles	Environmental Impairment Liability
Property Damage other than Motor Vehicles	

Through membership in the New Jersey Counties Excess Joint Insurance Fund, the County receives the following ancillary insurance coverage:

Public Officials Liability/Employment Practices Liability	Medical Professional Liability
Crime	Employed Lawyers Liability
Pollution Liability	

Contributions to the Fund, are due and payable annually and are based on actuarial assumptions determined by the Fund's actuary.

The Funds publish financial reports which can be obtained from the County finance office.

The County also maintains the following self-insurance balances:

The balance in the Reserve for Workers' Compensation Insurance Trust Fund was \$2,400,931.30 at December 31, 2017. The County maintains commercial excess coverage for claim amounts.

The balance of the Reserve for General Liability Insurance was \$9,926,359.11 at December 31, 2017. During 2010 the County joined the New Jersey Counties Excess Joint Insurance Fund to cover claims for general liability. The reserve at year end is available to pay claims.

The balance of the Reserve for Health Benefits Trust Fund was \$38,205,240.30 at December 31, 2017.

The management of the County believes that the above reserves are adequate to meet the needs of the County for the coming year and any additional funding required for claims in excess of the trust fund's reserves will be paid and charged to future budgets.

There have been no settlements that exceed the County's coverage for years ended December 31, 2017, 2016, and 2015.

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Note 16: **COUNTY GUARANTEES**

**Authorities of the County**

The County has created three countywide authorities, the Camden County Municipal Utility Authority, the Camden County Improvement Authority and the Pollution Control Financing Authority of Camden County.

The following information applies to each of the Authorities and should be noted: none of the Authorities have the power to levy or collect taxes. The debt issued by any one of the Authorities is neither a debt nor a liability of the State, the County (except to the extent of any deficiency agreement or guarantee), nor any political subdivision of the State, except the respective Authorities.

**Camden County Municipal Utilities Authority**

The Camden County Municipal Utilities Authority ("CCMUA") is a public body politic and corporate of the State of New Jersey and was originally created as the Camden County Sewerage Authority ("Sewerage Authority") by a resolution of the County Board of Chosen Freeholders ("County Board") adopted December 5, 1967. The Sewerage Authority was reorganized in 1972 as a utilities authority and changed its name to the Camden County Municipal Utilities Authority pursuant to a resolution of the County Board adopted April 13, 1972. The CCMUA operates under the supervision of nine commissioners who are appointed by the County Board for five year staggered terms. The County has entered into a Deficiency Agreement with the CCMUA ("Deficiency Agreement") whereby the County is obligated to pay to the CCMUA any annual charges equal to any deficits in CCMUA revenues necessary to pay or provide for (i) operation and maintenance expenses of the CCMUA's regional sewer system, (ii) principal and interest payments on bonds and notes of the CCMUA in an aggregate principal amount not to exceed \$685,500,000 and (iii) the maintenance of reserves required under the Bond Resolution securing the CCMUA's bonds and notes. The obligation of the County, pursuant to the provisions of the Deficiency Agreement, is a direct and general obligation of the County, and any annual charges are ultimately payable by the County to meet its obligations under the Deficiency Agreement. To date, no payments have been required to be made by the County pursuant to the Deficiency Agreement. The County and the CCMUA may agree to amend the Deficiency Agreement at any time to increase the obligation of the County thereunder.

The CCMUA owns and operates a sewerage collection and treatment system, which serves all County residents, connected to local sewer collection systems. The CCMUA's system does not include the local sewage collection system of any CCMUA participant, but it owns and operates interceptor sewer lines connecting the local systems to the CCMUA's sewage treatment facilities.

The CCMUA is required to charge and collect service charges for the use of its facilities such that revenues of the CCMUA will at all times be adequate to pay all operating and maintenance expenses, including reserves, insurance, extensions and replacements, and to pay punctually the principal of and interest on any bonds and notes, and to maintain reserves and sinking funds therefore as may be required by the terms of any agreements with the holders thereof.

The CCMUA's debt at December 31, 2017 was \$171,431,116. The County guarantee is limited to \$685,500,000.

Note 16: **COUNTY GUARANTEES (CONT'D)****Camden County Improvement Authority**

The Camden County Improvement Authority ("CCIA") is a public body corporate and politic of the State of New Jersey and was created by a resolution of the County Board of Chosen Freeholders ("the County Board"). The CCIA operates under the supervision of a five member Board who are appointed for five year staggered terms by the County Board. The CCIA has from time to time issued its revenue bonds for projects involving the County and for which the County has a repayment obligation or guaranty.

**CCIA**  
**Outstanding Debt Issued**  
**Under a Lease/Loan Agreement With the County**  
**Or Guaranteed By The County**  
**As of December 31, 2017**

	<u>Purpose</u>	<u>Interest Rate</u>	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>	<u>Amount Guaranteed By County</u>
(1)	County Guaranteed Loan Revenue Bonds, Series 2014 (Crossroads)	1.258%- 4.942%	6-24-14	7-15-37	\$20,800,000	\$20,800,000
(2)	County Guaranteed Lease Cooper River Boathouse Project	2.00%	10-21-04	02-2028	562,097	562,097
(3)	County Guaranteed Revenue Bonds Series 2008 (Capital Loan Program)	4.00 - 4.40%	06-24-08	03-1-18	425,000	425,000
(4)	County Guaranteed Revenue Bonds Series 2008 (Capital Loan Program)	3.00 - 5.50%	12-04-08	01-15-18	3,710,000	3,710,000
(5)	County Guaranteed Revenue Bonds Series 2009 (Capital Loan Program)	2.32 - 6.18%	12-02-09	01-15-27	14,850,000	14,850,000
(6)	County Guaranteed Revenue Bonds Series 2010 (Capital Loan Program)	1.817 - 6.284%	12-29-10	7-17-25	10,780,000	10,780,000
(7a)	Camden County College Bonds 2010A-2	3.00- 7.08%	11-24-10	2-15-40	4,135,000	4,135,000
(7b)	Camden County College Bonds 2010A-3	3.00- 7.08%	11-24-10	2-15-40	17,090,000	17,090,000
(8)	County Guaranteed Revenue Bonds Series 2011 (Capital Loan Program)	2.00 - 5.00%	01-15-11	1-15-26	19,775,000	19,775,000
(9)	County Guaranteed Revenue Refunding Bonds Series 2011A (Capital Loan Program) (a)	2.00 - 4.00%	09-15-11	9-1-21	2,735,000	2,735,000
(10)	County Guaranteed Lease Revenue Bonds Series 2012 (CCTS ESIP)	2.00 - 4.00%	08-02-12	08-15-27	5,750,000	5,750,000
(11)	County Guaranteed Revenue Refunding Bonds Series 2012A	2.00 - 5.00%	09-27-12	09-01-22	10,635,000	10,635,000

(Continued)

Note 16: **COUNTY GUARANTEES (CONT'D)**

**CCIA**  
**Outstanding Debt Issued**  
**Under a Lease/Loan Agreement With the County**  
**Or Guaranteed By The County**  
**As of December 31, 2017**

	<u>Purpose</u>	<u>Interest Rate</u>	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>	<u>Amount Guaranteed By County</u>
(12)	County Guaranteed Open Space Trust Fund Revenue Refunding Bonds Series 2012	2.00 - 5.00%	04-18-12	06-01-23	\$9,330,000	\$9,330,000
(13)	County Guaranteed Revenue Bonds Series A 2012 (Capital Loan Program)	2.50 - 4.00%	11-05-12	01-15-28	5,485,000	5,485,000
(14)	County Guaranteed Taxable Revenue Bonds (Clementon Redevelopment)	1.00 - 2.60%	11-05-12	01-15-19	840,000	840,000
(15)	County Guaranteed Open Space Trust Fund Revenue Bonds Series A of 2012	2.00 - 4.00%	11-20-12	06-01-27	5,260,000	5,260,000
(16)	County Guaranteed Revenue Bonds Series 2013 (Camden County College)	2.00 - 4.00%	03-27-13	02-15-33	10,920,000	10,920,000
(17)	County Guaranteed Revenue Bonds Series 2013 (Capital Loan Program)	3.00 - 5.00%	11-26-13	01-15-29	10,670,000	10,670,000
(18)	County Guaranteed Revenue Bonds Series 2014 (Capital Loan Program)	3.00 - 5.00%	12-10-14	01-15-31	13,255,000	13,255,000
(19)	County Guaranteed Revenue Refunding Bonds Series 2014A (Capital Loan Program)	3.00 - 4.00%	09-17-14	12-15-25	15,720,000	15,720,000
(20)	County Guaranteed Lease Revenue Refunding Bonds Series 2015 (Camden County College Project)	3.00 - 5.00%	06-18-15	01-15-26	13,340,000	13,340,000
(21)	County Guaranteed Loan Revenue Refunding Bonds Series 2015A	3.00 - 5.00%	06-18-15	09-01-26	11,860,000	11,860,000
(22a)	County Guaranteed Revenue Bonds Series 2015A (Capital Loan Program)	3.00 - 5.00%	12-23-15	01-15-40	38,375,000	38,375,000
(22b)	County Guaranteed Revenue Refunding Bonds Series 2015B	2.00 - 5.00%	12-23-15	01-15-21	10,955,000	10,955,000

(Continued)

Note 16: **COUNTY GUARANTEES (CONT'D)**

**CCIA**  
**Outstanding Debt Issued**  
**Under a Lease/Loan Agreement With the County**  
**Or Guaranteed By The County**  
**As of December 31, 2017**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>	<u>Amount Guaranteed By County</u>
(23) County Guaranteed Loan Revenue Refunding Bonds Series 2016A	2.00 - 5.00%	06-09-16	01-15-27	\$23,335,000	\$23,335,000
(24) County Guaranteed Loan Revenue Bonds Series 2016 (Capital Loan Program)	3.00 - 5.00%	11-17-16	01-15-32	59,235,000	59,235,000
(25) County Guaranteed Loan Revenue Bonds Series 2017A (Capital Loan Program)	2.00 - 5.00%	11-02-17	01-15-39	20,355,000	20,355,000
(26) County Guaranteed Loan Revenue Refunding Bonds Series 2017B	3.00 - 5.00%	11-02-17	01-15-29	24,510,000	24,510,000
Total Debt Outstanding				<u>\$384,692,097</u>	<u>\$384,692,097</u>

(1) On August 28, 2003, the CCIA issued \$35,000,000 of County Guaranteed Bond Anticipation Notes, Series 2003. The notes, issued for the purpose of financing certain initial costs of the Crossroads Redevelopment Projects to be constructed in the Township of Pennsauken, were renewed for one year on July 17, 2013 in the amount of \$20,315,000. Upon the notes coming due in 2014, permanent financing was issued. On June 26, 2014 loan revenue bonds were issued in the amount of \$21,000,000.

(2) On October 21, 2004, the CCIA signed a promissory note agreement with the Delaware River Port Authority in the amount of \$1,000,000 for the Cooper River Boathouse project. Subsequently, the CCIA and the County entered into an intergovernmental reimbursement agreement for this note as an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) below.

(3) On December 17, 2007, the CCIA issued \$14,340,000 of County Guaranteed Revenue Bonds, Series 2007. This project is an extension of the 1992 County Lease Program ("Lease Revenue Bonds") to finance construction of various improvements ("Improvements") to existing facilities owned by the County and acquisition of various equipment ("Equipment") for use by the County. The CCIA will lease certain land and the existing improvements thereon (collectively, the "Existing Property") from the County pursuant to a Ground Lease between the County and the CCIA, and the CCIA will then lease the Existing Property, together with the Improvements and Equipment, to the County pursuant to a Lease Purchase Agreement between the CCIA and the County. The Lease Revenue Bonds are payable from, among other things, the basic lease payments to be made by the County under the Lease Purchase Agreement. The Lease Revenue Bonds are also secured by the provisions of a County Guaranty pursuant to which the County has unconditionally guaranteed the payment of the principal of and interest on the Lease Revenue Bonds. This loan was partially refunded during 2016.

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**Note 16: COUNTY GUARANTEES (CONT'D)**

(4) On June 24, 2008, the CCIA issued \$6,000,000 of County Guaranteed Revenue Bonds, Series 2008 for capital improvements to Camden County College. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those listed in paragraph three (3) above. This issue was partially refunded during 2016.

(5) On December 2, 2009, the CCIA issued \$21,110,000 of County Guaranteed Revenue Bonds, Series A. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(6) On December 29, 2010, the CCIA issued \$17,100,000 of County Guaranteed Loan Revenue Bonds, Series A of 2010. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(7) On November 24, 2010, the CCIA issued \$25,000,000 of County Guaranteed Revenue Bonds. This project is for various improvements to the Camden County College including Phase I and Phase II improvements.

(8) On January 15, 2011, the CCIA issued \$26,565,000 of County Guaranteed Loan Revenue Bonds, Series 2011. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(9) On September 15, 2011, the CCIA issued \$5,905,000 of County Guaranteed Revenue Refunding Bonds, Series 2011A to advance refund the Series 2002A bonds.

(10) On August 8, 2012, the CCIA issued \$7,830,000 of County Guaranteed Lease Revenue Bonds, Series 2012. This project is to finance the costs of acquisition and installation of certain energy savings equipment constituting Energy Conservation Measures as part of the Energy Savings Improvement Program being undertaken by the Camden County Technical School.

(11) On September 27, 2012, the CCIA issued \$18,225,000 of County Guaranteed Revenue Refunding Bonds, Series 2012A to advance refund the Series 2003B bonds and a portion of the Series 2004A bonds.

(12) On April 18, 2012, the CCIA issued \$16,255,000 of County Guaranteed Open Space Trust Fund Revenue Refunding Bonds, Series 2012 to advance refund the Series 2003 Open Space Trust Fund Revenue bonds.

(13) On November 5, 2012, the CCIA issued \$5,485,000 of County Guaranteed Loan Revenue Bonds, Series A of 2012. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(14) On November 5, 2012, the CCIA issued \$2,440,000 of County Guaranteed Taxable Loan Revenue Bonds, Series B of 2012. This issue is to permanently finance the Clementon Redevelopment Project.

(15) On November 20, 2012, the CCIA issued \$7,265,000 of County Guaranteed Open Space Trust Fund Revenue Bonds, Series A of 2012. This project is for the purpose of financing the acquisition of various parcels of real property or interests therein and any improvements located thereon for the purpose of providing open space, farmland and historical and recreational preservation areas throughout the County.

(16) On March 27, 2013, the CCIA issued \$12,795,000 of County Guaranteed Revenue Bonds. This project is for various improvements to the Camden County College campus.

(17) On November 26, 2013, the CCIA issued \$38,200,000 of County Guaranteed Loan Revenue Bonds, Series A of 2013. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

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**Note 16: COUNTY GUARANTEES (CONT'D)**

(18) On December 10, 2014, the CCIA issued \$14,605,000 of County Guaranteed Loan Revenue Bonds, Series A of 2014. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(19) On September 17, 2014, the CCIA issued \$18,980,000 of County Guaranteed Lease Revenue Refunding Bonds, Series A of 2014 to advance refund the Series 2005B bonds.

(20) On June 18, 2015, the CCIA issued \$14,655,000 of County Guaranteed Lease Revenue Refunding Bonds, Series 2015 to advance refund the Series 2006 bonds for the Camden County College Project.

(21) On June 18, 2015, the CCIA issued \$12,895,000 of County Guaranteed Lease Revenue Refunding Bonds, Series A of 2015 to advance refund the Series 2006A bonds.

(22) On December 23, 2015, the CCIA issued \$39,240,000 of County Guaranteed Loan Revenue Bonds, Series A of 2015. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above. The CCIA also issued \$17,375,000 of County Guaranteed Loan Revenue Refunding Bonds, Series B of 2015 to currently refund the Series 2005A refunding bonds.

(23) On June 9, 2016, the CCIA issued \$23,615,000 of County Guaranteed Loan Revenue Refunding Bonds, Series A of 2016 to advance refund portions of the Series 2007 and Series 2008 bonds.

(24) On November 17, 2016, the CCIA issued \$59,235,000 of County Guaranteed Loan Revenue Bonds, Series 2016. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(25) On November 15, 2017, the CCIA issued \$20,355,000 of County Guaranteed Loan Revenue Bonds, Series 2017A. This project is an extension of the 1992 County Lease Program and the structure and arrangements are essentially the same as those discussed in paragraph three (3) above.

(26) On November 15, 2017, the CCIA issued \$24,510,000 of County Guaranteed Loan Revenue Refunding Bonds, Series B of 2017 to advance refund portions of the Series 2013 loan revenue bonds.

In addition to the above projects, the County has provided a guaranty for the payment of principal and interest on \$1,520,000 of County Guaranteed Revenue Bonds, The Battleship of New Jersey Project, Series 2015 and \$5,000,000 of County Guaranteed Revenue Bonds, Camden Stadium Project, Series 2015. These issues are to be paid by sources other than County, but have a County guaranty.

The CCIA has never failed to make a timely payment of the principal of and/or interest on any of the Bonds described above.

Note 17: **COUNTY RECEIVABLES**

On July 15, 1993, the CCIA issued \$2,140,000.00 Revenue Bonds, Series 1993 C, dated July 1, 1993 (the "1993 C Bonds"). The 1993 C Bonds were issued to provide funds to purchase a general obligation bond of the County of Camden (the "1993 County Bond"), which in turn was issued to provide funds to loan the City of Camden Redevelopment Agency as part of an overall plan to redevelop the City's downtown area. The 1993 C Bonds are payable from payments to be received by the CCIA from the County on the 1993 County Bond.

As stated above, the 1993 C Bonds are payable from payments to be received by the CCIA from the County on the County Bonds. The Loan to the City of Camden Redevelopment Agency was secured by a Note totaling \$114,260.00. The note matured December 2003 and had an interest rate of 7.10%. The accumulated interest on the note as of December 31, 2003 is \$18,268.23.

**Detail of CCRA Loan Receivable**

	<u>Outstanding Principal</u>	<u>Interest Accumulated</u>	<u>Collected</u>	<u>Accumulated Interest Balance</u>	<u>Total Receivable</u>
Loan 4	\$114,260.00	\$81,124.60	\$62,856.37	\$18,268.23	\$132,528.23
	<u>\$114,260.00</u>	<u>\$81,124.60</u>	<u>\$62,856.37</u>	<u>\$18,268.23</u>	<u>\$132,528.23</u>
	(A)			(B)	(C)

(A) The principal sum shall be due and payable as follows:

Loan 4 April 6, 2003 (but only if it succeeds in selling or otherwise disposing of the properties covered by the agreement)

(B) Interest for the first five (5) years of the Loan shall be due on the due date of the principal. Interest on the Loan for the years six (6) through ten (10) shall be due on the annual anniversary date of the loan.

(C) Accounts Receivable shown on Exhibit C.



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**Note 18: CONTINGENT LIABILITIES****Pollution Control Financing Authority of Camden County**

Pursuant to the New Jersey Pollution Control Financing Law, constituting Chapter 376 of the Pamphlet Laws of 1973 of the State of New Jersey (N.J.S.A. 40:37C-1 et seq.), as amended and supplemented ("Pollution Control Law"), and the Solid Waste Management Act, constituting Chapter 39 of the Pamphlet Laws of 1970 of the State of New Jersey (N.J.S.A. 13:1E-1 et seq.), as amended and supplemented ("Solid Waste Management Act"), the State Legislature initiated a comprehensive statutory mechanism for the management of solid waste disposal in the State. Subsequently, as a result of certain rulings, the management of solid waste disposal within the State changed. See "The Atlantic Coast Decision of the United States Court of Appeals for the Third Circuit" below.

Acting pursuant to the Pollution Control Law, the Board established the Pollution Control Financing Authority of Camden County ("PCFA") which implemented a County-wide solid waste disposal and resource recovery system, consisting of two primary components.

The first component is a 1,050 ton-per-day mass burn, waste-to-energy, facility, located in Camden City ("Resource Recovery Facility"). The Resource Recovery Facility was constructed and is owned and operated by Camden County Energy Recovery Associates, L.P. ("Partnership"), a New Jersey limited partnership. Prior to August 19, 2013, the general partner of the Partnership was a second-tier wholly-owned subsidiary of Foster Wheeler Ltd. On August 19, 2013, the prior general partner sold its partnership interest in the Partnership to a subsidiary of Covanta Energy Corporation.

Two solid waste franchises were granted by the New Jersey Department of Environmental Protection ("NJDEP"), which franchises, when granted, collectively required the disposal and processing of the municipal solid waste generated in each municipality within the County to occur at the Resource Recovery Facility and the Landfill (as hereinafter defined). The disposal and processing of the solid waste generates electrical energy, which is sold by the Partnership to an electric utility pursuant to a power purchase agreement. The second component is the Pennsauken Sanitary Landfill ("Landfill") where disposal of bypass waste and residue from the operation of the Resource Recovery Facility and disposal of construction and demolition waste take place.

**The Financing of the Solid Waste Management System of the County**

In order to finance the infrastructure required to implement the County's solid waste management system, including the construction of the Resource Recovery Facility, several series of bonds were previously issued by the PCFA, all of which have been fully amortized or paid. Accordingly, there are no remaining outstanding debt obligations of the PCFA related to the implementation of the County's solid waste management system.

Notwithstanding the foregoing, the PCFA has specific ongoing reimbursement obligations pursuant to and in accordance with that certain Emergent Funding and Reimbursement Agreement, dated November 29, 2010, between the PCFA and the State, acting by and through the NJDEP ("Reimbursement Agreement").

Pursuant to the Reimbursement Agreement, the PCFA was permitted to utilize certain unrestricted and restricted funds of the PCFA, and the State agreed to appropriate and provide certain monies to the PCFA, in an amount sufficient to pay the final principal payment and interest due on the PCFA's then-outstanding solid waste resource recovery revenue bonds ("Remaining Bond Payment"). Specifically, pursuant to the Reimbursement Agreement: (i) the PCFA utilized \$1,550,305.55 of available funds in its bond indenture accounts; (ii) the PCFA utilized \$3,449,694.45 of its unrestricted funds; (iii) the State provided \$2,100,000 in funds to the PCFA from funds made available pursuant to an appropriation in the Fiscal Year 2011 Appropriations Act; and (iv) pursuant to an administrative consent order executed by the Commissioner of the NJDEP, dated November 29, 2010, the PCFA was permitted to utilize \$10,106,062.50 from its Statutory Escrow Accounts ("Statutory Accounts") and \$8,000,000 from its Board of Public Utilities Closure Account ("BPU Closure Account" and together with the Statutory Accounts, the "Restricted PCFA Funds"), for the purpose of making the Remaining Bond Payment.

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Note 18: **CONTINGENT LIABILITIES (CONT'D)**

**Pollution Control Financing Authority of Camden County (Cont'd)**

**The Financing of the Solid Waste Management System of the County (Cont'd)**

As a condition to the utilization of the Restricted PCFA Funds, the terms and provisions of the Reimbursement Agreement require the PCFA to provide annual reimbursement to the Restricted PCFA Funds of the amounts previously withdrawn, together with accrued interest thereon ("Total Reimbursement Amount"), in whole or in part, as applicable, by depositing certain available funds of the PCFA (including certain appropriations made by the State, if available) back into the PCFA Restricted Funds over a term of years ("NJDEP Reimbursement"). Specifically, the PCFA is required to include in its annual budget, beginning with its budget for fiscal year 2011, an amount equal to the "Estimated Net Available Funds" of the PCFA, which includes the estimated funds available for the reimbursement of the Restricted PCFA Funds, calculated as the estimated total annual gross receipts, revenues and proceeds estimated to be received by the PCFA from operations, dispositions or any other source, less all anticipated expenditures for such fiscal year, including, without limitation, all operating costs, payments on indebtedness, general and administrative expenses, and all reserves of the PCFA. On December 31 of such year, the PCFA is required to deposit into the Restricted PCFA Funds the actual amount of funds then available, together with any available appropriations made by the State to the PCFA in such year, for purposes of paying all or a portion of the Total Reimbursement Amount. Any amounts due and owing relative the Total Reimbursement Amount shall be carried over into the subsequent year until such time as the Total Reimbursement Amount is paid in full (anticipated within five (5) years from 2011).

**The Atlantic Coast Decision of the United States Court of Appeals for the Third Circuit**

On May 1, 1997, in Atlantic Coast Demolition & Recycling, Inc. v. Board of Chosen Freeholders of Atlantic County, 112 F.3d. 652 (3d Cir. 1997), the United States Court of Appeals for the Third Circuit held that New Jersey's solid waste management system unconstitutionally discriminates against out-of-state operators of waste disposal facilities and, therefore, violates the Commerce Clause of the United States Constitution. Certain parties in the Atlantic Coast litigation filed a petition for writ of certiorari with the United States Supreme Court seeking a review of the decision of the Third Circuit. On November 10, 1997, the United States Supreme Court denied the petition for writ of certiorari.

Based upon the Atlantic Coast decision, the method used to select and operate the Resource Recovery Facility and the Landfill as the facilities designated for the disposal of all of the solid waste generated by each county within the County appeared to unconstitutionally restrict interstate commerce.

On January 29, 1996, following an interim ruling in the Atlantic Coast case which invalidated regulatory flow control for certain construction and demolition waste ("C&D Waste"), the PCFA reduced tipping fees for C&D Waste delivered to the Landfill to a reduced market rate. On November 17, 1997, following the denial of certiorari by the United States Supreme Court in the Atlantic Coast case, the Partnership unilaterally reduced system tipping fees being collected by the Partnership at the Resource Recovery Facility to a level less than that imposed by the PCFA. This was a response by the Partnership to price competition and the resulting decrease in the volume of solid waste being delivered for processing at the Resource Recovery Facility. Since that time, tipping fees at the Resource Recovery Facility have been reduced and/or increased to a market competitive rate in an effort to maximize operating revenues.

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Note 18: **CONTINGENT LIABILITIES (CONT'D)**

**Pollution Control Financing Authority of Camden County (Cont'd)**

**The Response of the County to the Atlantic Coast Decision**

In an attempt to address, among other things, the structure of the County's solid waste management plan in the aftermath of the Atlantic Coast decision, on September 18, 1997, the Board adopted a resolution authorizing an amendment to the solid waste management plan of the County. The plan amendment is entitled "A Strategy for the Disposal of Solid Waste Generated Within the Camden County Solid Waste Management District and for the Satisfaction of Solid Waste Disposal Related Debt Obligations After the Implementation of the Atlantic Coast Court Decision" ("September 1997 Solid Waste Management Plan Amendment"). The September 1997 Solid Waste Management Plan Amendment directed that the PCFA procure disposal capacity using methods that comply with the laws governing public contracts and in a manner that does not discriminate against interstate commerce. Further, the PCFA was directed to continue to aggregate its disposal and administrative costs and impose a unified tipping fee on all waste collected for disposal within the County.

On November 14, 1997, the Commissioner of the NJDEP issued a certification with respect to the September 1997 Solid Waste Management Plan Amendment of the County ("NJDEP Certification"). The NJDEP granted approval with regard to that aspect of the September 1997 Solid Waste Management Plan Amendment governing the procurement of disposal capacity using methods that comply with the laws governing public contracts and in a manner that does not discriminate against interstate commerce. However, since the procurement process had not yet been completed, such NJDEP approval of this aspect of the September 1997 Solid Waste Management Plan Amendment was made contingent upon receipt by the NJDEP of a subsequent amendment or administrative action that documents the awarding of a nondiscriminatory bid contract(s).

Finally, the NJDEP determined to be unenforceable the establishment by the September 1997 Solid Waste Management Plan Amendment of flow control during the interim period between judicial abrogation of the then current disposal contracts and the completion of the procurement of new disposal capacity in a manner that does not discriminate against interstate commerce. The NJDEP has concluded that the lifting by the Third Circuit of the District Court's stay of the injunction against the enforcement of flow control precludes even this interim control of flow as anticipated by the September 1997 Solid Waste Management Plan Amendment.

For the purpose of responding to the remaining issues cited by the NJDEP Certification, on December 29, 1997, the Board adopted a resolution authorizing a further amendment to the solid waste management plan of the County. The plan amendment is entitled "A Modified Strategy for the Disposal of Solid Waste Generated within the Camden County Solid Waste Management District, Following the November 10, 1997 Implementation of the Atlantic Coast decision, and Following the New Jersey Department of Environmental Protection's Acceptance in Part, Rejection in Part and Remand in Part of Camden County Plan Amendment 81-9-97 Adopted September 18, 1997" ("December 1997 Solid Waste Management Plan Amendment"). In compliance with the NJDEP Certification, the December 1997 Solid Waste Management Plan Amendment deleted from the solid waste management plan of the County the establishment of flow control during the interim period between judicial abrogation of the disposal contracts and the completion of procurement of new disposal capacity in a manner that does not discriminate against interstate commerce.

The December 1997 Solid Waste Management Plan Amendment was submitted to the NJDEP for consideration of approval. On June 29, 1998, the Commissioner of the NJDEP issued a certification with respect to the December 1997 Solid Waste Management Plan Amendment. The NJDEP, among other things, (i) approved the deletion of the reference to the retention of regulatory flow control during the interim period prior to completion of nondiscriminatory procurement, and (ii) approved the inclusion of a strategy to complete a nondiscriminatory procurement process and to thereby regulate the flow of waste as a market regulator (although the NJDEP stressed that separate approval of the actual results of such procurement will be required).

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Note 18: **CONTINGENT LIABILITIES (CONT'D)**

**Pollution Control Financing Authority of Camden County (Cont'd)**

On December 5, 1997, the PCFA opened bids and proposals submitted with respect to the reprourement by the PCFA of solid waste disposal services. For a period of time thereafter, the bids and proposals, as well as supplements thereto solicited by the PCFA during 2000, were considered by the PCFA and its professional advisors. During a portion of such period, the PCFA engaged in substantive negotiations with the Partnership, as one of the responding proposers, for the purpose of attempting to agree upon the final terms and conditions of a long-term solid waste services disposal agreement. Upon the completion of such process, the contract for the reprourement of solid waste disposal services was awarded by the PCFA to the Partnership. Such contract between the PCFA and the Partnership (the "Reprocurement Agreement") was signed on July 25, 2001, and on such date such Reprocurement Agreement was submitted by the PCFA to the State for approval, in satisfaction of applicable statutory requirements. In response to the submission to the State by the PCFA, the State submitted questions to the PCFA via interrogatories. The PCFA responded to the interrogatories of the State on November 5, 2001 and has not received further communication from the State with regard to the Reprocurement Agreement. The period during which the State may approve or reject the Reprocurement Agreement has lapsed. The obligations of the PCFA and the Partnership pursuant to the terms of the Reprocurement Agreement were subject to the satisfaction of certain conditions precedent identified in the Reprocurement Agreement. Such conditions precedent were not satisfied by the specified date and, therefore, the Reprocurement Agreement has automatically terminated. No further reprourement agreements were executed. The 1985 Service Agreement between the PCFA and the Partnership expired on July 1, 2011.

**Proposed Dissolution of the PCFA**

The County has preliminarily determined that the best interests of the residents of the County would be served by the dissolution of the PCFA to be accomplished pursuant to the requirements of the Local Authorities Fiscal Control Law, N.J.S.A. 40A:5A-1, et seq., as amended and supplemented ("Local Authorities Fiscal Control Law"), including N.J.S.A. 40A:5A-20. The County has also preliminarily determined that the dissolution of the PCFA could result in savings to the County by reducing overall costs by combining operations and providing services in a more efficient manner.

In connection with the proposed dissolution, the County, the PCFA and the CCIA have collectively preliminarily determined that it would be in the best interests of the residents of the County for the CCIA to: (i) upon dissolution, on a going-forward basis, assume the responsibility and otherwise provide for the payment of all creditors or obligees of the PCFA, (ii) assume ownership of the Landfill, and (iii) provide all of those services previously provided by the PCFA. On April 14, 2011, the Commissioners of the CCIA adopted a resolution preliminarily authorizing the CCIA, upon dissolution, on a going-forward basis, to assume responsibility and otherwise provide for the payment of all creditors and obligees of PCFA upon dissolution of PCFA and to assume ownership and operation of the Landfill ("CCIA Assumption Resolution").

Finally, the PCFA has preliminarily determined to voluntarily accede to the dissolution and to cooperate with the County and the CCIA in connection with the dissolution and transfer of the Landfill and other assets of the PCFA to CCIA. To that end, the PCFA adopted resolutions on March 22, 2011 and May 24, 2011, preliminarily authorizing the dissolution and the transfer of the PCFA's assets and liabilities to the CCIA.

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**Note 18: CONTINGENT LIABILITIES (CONT'D)****Pollution Control Financing Authority of Camden County (Cont'd)**

Pursuant to Section 20 of the Local Authorities Fiscal Control Law, the PCFA may be dissolved by the County, subject to approval of the Local Finance Board. On May 19, 2011, the Board of Chosen Freeholders of the County introduced an ordinance authorizing the dissolution of the PCFA and making certain other determinations in connection therewith ("Dissolution Ordinance"). The Dissolution Ordinance provides, as a condition to dissolution, for the CCIA to provide, upon dissolution, on a going-forward basis, for the payment of all creditors and obligees of the PCFA (including the NJDEP). The CCIA Assumption Resolution provides for the CCIA, upon dissolution, on a going-forward basis, to be responsible for all of the PCFA's outstanding obligations (including the NJDEP Reimbursement) and for the provision of all the services previously provided by the PCFA, including ownership and operation of the Landfill and to take possession of any and all assets and property (including real property), rights and privileges of the PCFA, including contract rights, permits, claims, defenses, causes of action, and all tangible and intangible interests.

In accordance with the Local Authorities Fiscal Control Law, the County and the CCIA are in the process of completing an application to be submitted to the Local Finance Board seeking approval for the final adoption of the Dissolution Ordinance. As of the date hereof, however, no such application has been filed. Upon filing to and approval from the Local Finance Board for the final adoption of the Dissolution Ordinance, the County, the PCFA and the CCIA shall undertake and complete all legal and procedural requirements necessary to effectuate the dissolution of the PCFA and the transfer of the PCFA's assets and liabilities to the CCIA as described above. Additionally, upon determination to proceed with the filing of an application to the Local Finance Board, the PCFA and the CCIA shall undertake and complete all necessary procedural and legal requirements relative to the transfer of the Landfill and related assets to the CCIA upon dissolution of the PCFA.

**Litigation Concerning the Pennsauken Sanitary Landfill**

The PCFA acquired the Pennsauken Sanitary Landfill ("Landfill") from the Township of Pennsauken ("Pennsauken") and the Pennsauken Solid Waste Management Authority ("PSWMA") in December 1991, pursuant to the provisions of the Amended and Restated Operations Transfer Agreement, dated October 11, 1991 (the "AROTA"), among the PCFA, the PSWMA, Pennsauken and the County. Prior to that time, the Landfill was operated by the PSWMA on land owned by Pennsauken. Since acquisition the PCFA has continued to operate the Landfill for disposal of bypass waste, residue from the operation of the Resource Recovery Facility, and the disposal of construction and demolition waste.

There are long-standing claims regarding the remediation of the contamination of the Landfill. The PSWMA executed an Administrative Consent Order ("ACO") with the New Jersey Department of Environmental Protection in December 1988. The ACO obligated the PSWMA to remediate contamination caused by the Landfill. The PCFA assumed the remediation obligations of the PSWMA pursuant to the AROTA. The PCFA, PSWMA and Pennsauken were plaintiffs in ongoing litigation seeking the recovery of costs associated with remediation necessary pursuant to the ACO. Counterclaims were made against Pennsauken. Pennsauken was represented by counsel for one of its insurance carriers. Trial in this litigation commenced on January 20, 2009. By the end of the second day of trial, all claims in the litigation were settled in principle. The PCFA and some defendants continue to review and execute settlement agreements. Pursuant to the settlement agreements, all defendants have been given releases and indemnification protection by the PCFA and Pennsauken. Settlement documents with Ward Sand and Materials Company and James D. Morrissey, Inc. (the "Ward Sand parties") (the prior landfill owner and operator) are in the process of being finalized. In the meantime, the Ward Sand parties have satisfied their payment obligations. Pursuant to the ACO, the PCFA is primarily responsible for the liability associated with the contamination at the Landfill either directly as a successor to the PSWMA under the ACO or indirectly through the indemnification provisions of the AROTA. In the event that the litigation settlement proceeds are not sufficient to remediate the contamination at the Landfill, Pennsauken could be potentially responsible pursuant to the indemnification provisions in the various settlement agreements. Additionally, it is possible that the County could be responsible for all or a portion of such liability under the AROTA. To date, \$15,603,370.29 in settlement proceeds have been collected from all of the settling parties. Recent estimates

Note 18: **CONTINGENT LIABILITIES (CONT'D)**

**Pollution Control Financing Authority of Camden County (Cont'd)**

project that the remediation cost to be approximately this amount or less. They are premised on the designed system accomplishing the remediation as presently designed. Design modifications could be necessary. Additionally, it is presently anticipated that the remediation can accomplish the desired goals in approximately 10-30 years. Contingencies could arise which could impact the design of the remediation system or the length of time in which it must be in operation. Therefore, it is impossible to determine at this time what the exact cost of the PCFA's remediation obligations will be. While it is impossible to estimate the likelihood of such an outcome, any such liability of the PCFA and/or the County could have a material adverse impact upon their respective financial conditions. In the event of a dissolution of the PCFA, any existing or potential liabilities of the PCFA would pass to the CCIA.

Note 19: **OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST**

On November 3, 1997, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of Camden County authorized the establishment of the Camden County Open Space, Recreation, Farmland and Historic Preservation Trust Fund effective January 1, 1998, 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 one cent per one hundred dollars of equalized valuation. On November 8, 2005, the County of Camden proposed to levy an additional one cent per one hundred dollars of equalized valuation. 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. 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 purposed stated. Interest earned on the investment of these funds is credited to the Camden County Open Space, Recreation, Farmland and Historic Preservation Trust Fund.

Note 20: **CHANGE ORDERS**

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

<b><u>Vendor Name</u></b>	<b><u>Original Contract Amount</u></b>	<b><u>Total Amount Of Change Orders</u></b>	<b><u>Project Description</u></b>
Arthur R. Henry Inc.	\$ 37,832.40	\$ 22,317.09	Three (3) Minor Bridge Repairs in Various Municipalities

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

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

Note 21: **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 be material to the financial statements **with the exception** of the eventual resolution of the litigation involving the Pollution Control Financing Authority (see Note 18).

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<sup>th</sup> 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 2017 the Abstract of Ratables for Camden County indicated 21 of 37 municipalities abated property taxes under this program. The total assessed value abated was \$48,449,900.00. Municipalities also granted various other abatements of which the dollar amount of assessments is not readily available. The County receives 100% of its tax levy from each of the municipalities within the County and does not have any reduction in revenue as a result of these tax abatement programs.

Note 23: **SUBSEQUENT EVENTS**

Subsequent to December 31, 2017, the following actions were taken by the Board of Freeholders:

Authorization of the issuance of the following:

General Capital:

Bonds and Notes:

Renovation of Lincoln Hall and the Replacement of Certain Roofing and Ventilation Systems in Various Buildings at the Blackwood (Gloucester Township) Campus of Camden County College	Introduced: March 12, 2018 Adopted: April 19, 2018	\$3,600,000.00
Repair and/or Replacement of Certain County Infrastructure Projects	Introduced: June 5, 2018 Adopted: June 21, 2018	\$17,808,000.00

**APPENDIX C**

**FORM OF BOND COUNSEL OPINION**



[Date of Closing]

The Board of Chosen Freeholders of the  
County of Camden, New Jersey  
Courthouse  
520 Market Street  
Camden, New Jersey 08102

Ladies and Gentlemen:

We have acted as bond counsel to the County of Camden, New Jersey (the "County") in connection with the issuance and sale by the County of its \$35,461,125 principal amount of Bond Anticipation Notes, Series 2018A (the "Notes"). In this capacity, we have examined certified copies of a record of proceedings of the Board of Chosen Freeholders of the County and such other proofs, documents and instruments submitted to us which we deemed pertinent relative to the issuance and sale by the County of the Notes.

The Notes are dated as of the date hereof, mature on October 23, 2019 and bear interest at the rate of \_\_\_ per centum (\_\_\_%) per annum. The Notes are fully registered in form and are issued pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of New Jersey (the "Local Bond Law"), a bond ordinance lawfully and duly adopted on January 21, 2016 and a resolution lawfully and duly adopted on September 17, 2018 (the "Resolution"). The Notes are not subject to redemption prior to maturity.

We are of the opinion that such proceedings, proofs, documents and instruments show lawful authority for the issuance and sale of the Notes pursuant to the Local Bond Law and other applicable statutes, and that the Notes are valid and legally binding obligations of the County, all the taxable property within the jurisdiction of which is subject to the levy of ad valorem taxes for the ultimate payment of the principal of and interest on said Notes without limitation as to rate or amount.

We are further of the opinion that based upon existing law, interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax.

We are further of the opinion that under existing law, interest on the Notes and net gains from the sale of the Notes are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

With respect to our Federal income tax opinion, we note that the Code imposes certain requirements that must be met on the date of issuance of the Notes and on a

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continuing basis subsequent to the issuance of the Notes in order for interest on the Notes to be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the County to comply with such requirements may cause interest on the Notes to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Notes. The County has made representations in the Tax Certificate, dated as of the date hereof, as to various tax requirements. In addition, the County has covenanted to comply with the provisions of the Code applicable to the Notes and has covenanted not to take any action or fail to take any action that would cause the interest on the Notes to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code. With your permission, we have relied upon the representations made in the Tax Certificate and we have assumed continuing compliance by the County with the above covenants in rendering our federal income tax opinion with respect to the exclusion of interest on the Notes from gross income for federal income tax purposes.

Attention is called to the fact that for purposes of this opinion letter we have not been requested to examine and have not examined any documents or information relating to the County other than the certified copies of the proceedings, proofs, documents and instruments hereinabove referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchaser of the Notes.

It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed Note and, in our opinion, the form of said Note and its execution are regular and proper.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions, or laws or judicial decisions hereafter enacted or rendered. Our engagement by the County with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is rendered to you in connection with the above described transaction. This opinion letter may not be relied upon by you for any other purpose,

The Board of Chosen Freeholders of the  
County of Camden, New Jersey  
[Date of Closing]  
Page 3

or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,

**APPENDIX D**

**FORM OF**

**CONTINUING DISCLOSURE CERTIFICATE**

## CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (the “Certificate”) is made as of October \_\_, 2018 by the County of Camden, a political subdivision duly organized under the laws of the State of New Jersey (the “Issuer”).

### W I T N E S S E T H:

WHEREAS, the Issuer is issuing its Bond Anticipation Notes, Series 2018A dated the date hereof, in the principal amount of \$35,461,125 (the “Notes”) on the date hereof; and

WHEREAS, the Notes are being issued pursuant to a bond ordinance adopted by the Issuer on January 21, 2016 and a resolution adopted by the Issuer on September 17, 2018; and

WHEREAS, the Securities and Exchange Commission (the “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.) (the “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 Notes, 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 material event notices to the MSRB (as defined herein); and

WHEREAS, the Issuer represented in its Notice of Sale dated October 3, 2018 (the “Notice of Sale”) that it would deliver on the closing date for the Notes a “Continuing Disclosure Certificate” pursuant to which the Issuer will agree to provide at the times and to the persons described in Rule 15c2-12 the material event notices pursuant to Rule 15c2-12; and

WHEREAS, on October 10, 2018, the Issuer accepted the bid of \_\_\_\_\_, as the underwriter (the “Underwriter”) for the purchase of the Notes; and

WHEREAS, the execution and delivery of this Certificate has been duly authorized by the Issuer 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 Certificate, do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the Issuer is executing this Certificate for the benefit of the Holders of the Notes.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the Issuer, 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:

Certificate	Rule 15c2-12
Issuer	SEC
Notice of Sale	Securities Exchange Act
Notes	Underwriter

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

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

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

“Disclosure Event Notice” means the notice to the MSRB as provided in subsection 2.2 of this Certificate.

“Disclosure Representative” means the Chief Financial Officer of the Issuer or his or her designee, or such other officer or employee as the Issuer shall designate from time to time.

“Dissemination Agent” means an entity acting in such capacity under this Certificate or any other successor entity designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” means Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“Holder” or “Noteholder” or any similar term means the registered holders and beneficial owners of the Notes.

“MSRB” means the Municipal Securities Rulemaking Board.

“Prescribed Form” means such electronic format accompanied by such identifying information as shall be prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“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 Certificate. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms as used in this Certificate, refer to this 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 Issuer performs any obligations, mentioned in the passage in which such term appears.

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

## ARTICLE II

### CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1 Continuing Disclosure Covenants of the Issuer. The Issuer agrees that it will provide, or shall cause the Dissemination Agent to provide:

(a) Within ten (10) days of the occurrence of any of the following events, to the MSRB and in Prescribed Form, notice of any of the following events with respect to the Notes (each, a "Disclosure Event"):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the debt service reserve fund 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 or determinations with respect to the tax status of the Notes, or other material events affecting the tax-exempt status of the Notes;

- (vii) Modifications to rights of Holders of the Notes, if material;
- (viii) Note calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Notes, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar events of the Issuer, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or Federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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.

Section 2.2 Responsibilities and Duties of the Issuer or the Dissemination Agent. If the Issuer or the Dissemination Agent (if one has been appointed or engaged by the Issuer) has determined it necessary to report the occurrence of a Disclosure Event, the Issuer or Dissemination Agent (if one has been appointed or engaged by the Issuer) shall file a notice of such occurrence in the Prescribed Form and in accordance with EMMA with the MSRB (the “Disclosure Event Notice”) provided by the Issuer.

Section 2.3 Responsibilities, Duties, Immunities and Liabilities of the Dissemination Agent.

(a) The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this 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 Issuer shall be the Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Certificate, and the Issuer agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents 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 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 Issuer under this subsection shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

(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 Issuer. Such resignation shall take effect on the date specified in such notice.

### ARTICLE III

#### REMEDIES

##### Section 3.1 Remedies.

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

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

(c) A default under this Certificate shall not be deemed a default under the Notes, and the sole remedy under this Certificate in the event of any failure or refusal by the Issuer to comply with this Certificate shall be as set forth in subsection 3.1(a) of this Certificate.

### ARTICLE IV

#### MISCELLANEOUS

Section 4.1 Purposes of the Continuing Disclosure Certificate. This Certificate is being executed and delivered by the Issuer for the benefit of the Noteholders and in order to assist the Underwriter in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2 Additional Information. Nothing in this Certificate shall be deemed to prevent the Issuer from (a) disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or (b) including any other information in any Disclosure Event Notice, in addition to that which is required by this Certificate. If the Issuer chooses to include any information in any Disclosure Event Notice in addition to that which is specifically required by this Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in 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 of Camden, New Jersey, 520 Market Street, Camden, New Jersey 08102, Attention: Chief Financial Officer.

Section 4.4 Severability. If any provision of this 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 Noteholders, the Issuer at any time and from time to time may enter into any amendments or modifications to this Certificate for any of the following purposes:

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

(ii) 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 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, counsel nationally recognized as expert in federal securities law acceptable to the Issuer determines that such amendment or modification does not adversely affect the interests of the Holders in any material respect.

(b) Upon entering into any amendment or modification required or permitted by this Certificate, the Issuer shall deliver, or cause the Dissemination Agent to deliver, in Prescribed Form in accordance with EMMA to the MSRB written notice of any such amendment or modification.

(c) The Issuer shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Issuer to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.5 and Rule 15c2-12.

Section 4.6 Amendments Required by Rule 15c2-12. The Issuer recognizes that the provisions of this 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 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 Issuer to the effect that such amendments shall be permitted or necessary to assure continued compliance with Rule 15c2-12 as so amended or interpreted, then the Issuer shall amend this Certificate to comply with and be bound by any such amendment to this Certificate to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and provide the written notice of such amendment as required by subsection 4.5(b) hereof.

Section 4.7 Governing Law. This Certificate shall be governed exclusively by and construed in accordance with the applicable laws of the State of New Jersey and the applicable federal laws of the United States of America.

Section 4.8 Termination of Issuer's Continuing Disclosure Obligations. The continuing obligation of the Issuer under Section 2.1 hereof to provide any Disclosure Event Notice and to comply with the other requirements of said Section shall terminate if and when either (a) the Notes are no longer Outstanding or (b) the Issuer no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10)) with respect to the Notes.

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

IN WITNESS WHEREOF, THE COUNTY OF CAMDEN has caused this Certificate to be executed in its name and its corporate seal to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

[SEAL]

ATTEST:

COUNTY OF CAMDEN, NEW JERSEY

\_\_\_\_\_  
Clerk of the Board of  
Chosen Freeholders

By: \_\_\_\_\_  
Director of the Board of Chosen  
Freeholders