

TOWNSHIP OF WEST DEPTFORD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2010

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PART I
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2010

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of West Deptford
400 Crown Point Road
Thorofare, New Jersey 08086

We have audited the accompanying balance sheets – regulatory basis of the various funds and account groups of the Township of West Deptford as of December 31, 2010 and 2009, the related statements of operations and changes in fund balance – regulatory basis for the years then ended, and the related statements of revenues – regulatory basis and statement of expenditures – regulatory basis of the various funds, as listed in the table of contents for the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Township of West Deptford's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Township of West Deptford prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting and the accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material.

In our opinion, because of the effects of preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of West Deptford as of December 31, 2010 and 2009, or the results of its operations for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account groups of the Township of West Deptford as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance – regulatory basis of such funds for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis of the various funds for the years ended December 31, 2010 and 2009, on the modified accrual basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2011, on our consideration of the Township of West Deptford's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Township of West Deptford. The accompanying supplemental schedules listed in the table of contents are not a required part of the financial statements of the Township of West Deptford. The accompanying schedule of Federal awards and State Financial Assistance is presented for additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and New Jersey Treasurer Circular Letter 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and is not a required part of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni

Certified Public Accountant

Registered Municipal Accountant #252

April 15, 2011

CURRENT FUND

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Regular Fund</u>			
Cash - Treasurer	A-4	5,037,718	7,847,283
Cash - Change Fund	A-6	1,600	1,600
		<u>5,039,318</u>	<u>7,848,883</u>
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-13	<u>18,152</u>	<u>25,916</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	1,374,537	2,565,625
Tax Title Liens Receivable	A-8	1,164,527	1,050,822
Property Acquired for Taxes - Assessed Valuation	A-9	764,800	1,159,500
Miscellaneous Liens Receivable			7,165
Revenue Accounts Receivable	A-12	27,764	22,894
Prepaid County Taxes		20,742	
Ground Lease Agreement Receivable			1,247,639
Due from RiverWinds Tax Defeasance		337	151,527
Due from Reeves Cemetery			2
Due from Drainage Basin		702	769
Due from Dog License Trust Fund		2,008	1,850
Due from Water and Sewer Operating Fund		1,990,950	
Due from Water and Sewer Capital Fund		258,768	1,835,860
Due from Off Duty Police Trust Fund		80	
Due from Street Opening			1,466
Due from Tax Sale Trust Fund		19,322	
Due from Unemployment Trust			88
Due from Employee Health Claims		84,448	2,225
Due from RiverWinds Community Center			5
Due from Special Projects Trust Fund			3
Due from Escrow Trust Fund		58,234	49,350
		<u>5,767,219</u>	<u>8,096,790</u>
Deferred Charges:			
Overexpenditure of Appropriation			4,249
			<u>4,249</u>
		<u>10,824,689</u>	<u>15,975,838</u>
<u>Federal and State Grant Fund</u>			
Cash - Treasurer	A-4	229,283	
Grants Receivable	A-18	691,928	1,079,381
Due from Current Fund	A	236,986	590,229
Due from General Capital Fund			329,670
		<u>1,158,197</u>	<u>1,999,280</u>
		<u>11,982,886</u>	<u>17,975,118</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Regular Fund</u>			
Liabilities:			
Appropriation Reserves	A-3:A-14	1,406,015	1,579,553
Encumbrances Payable	A-15	336,038	148,377
Prepaid Taxes		319,223	404,284
Tax Overpayments		141,068	183,497
Due State of New Jersey - DCA Fees		25,451	5,654
Payroll Taxes Payable			129,055
Tax Anticipation Note Payable			2,600,000
Local School District Taxes Payable	A-16	842,363	73,730
Due County for Added & Omitted Taxes		38,317	30,395
Reserve for Revaluation	A-17	6,805	6,805
Due to Affordable Housing Trust Fund		4,942	
Due General Capital Fund		799,409	529,144
Due to Tax Sale Trust Fund			215
Due to Water and Sewer Assessment Fund			1,515
Due to Street Opening Trust Fund		21,150	
Due to K-9 Donation Trust Fund		9,279	
Due Mayor's Holiday Food & Toy Drive Trust			7,090
Due Water and Sewer Utility			248,079
Due POAA Trust Fund		1,437	1,331
Due Grant Fund	A	236,986	590,229
		<u>4,188,483</u>	<u>6,538,953</u>
Reserve for Receivables		5,767,219	8,096,790
Fund Balance	A-1	868,987	1,340,095
		<u>10,824,689</u>	<u>15,975,838</u>
<u>Federal and State Grant Fund</u>			
Reserve for Grants - Appropriated	A-19	1,069,997	1,258,933
Reserve for Grants - Unappropriated	A-20	82,270	73,338
Due to General Capital		5,931	
Due to Water and Sewer Capital Fund			660,001
Encumbrances Payable			7,008
		<u>1,158,197</u>	<u>1,999,280</u>
		<u>11,982,886</u>	<u>17,975,118</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - CURRENT FUND - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized	A-2	1,290,000	
Miscellaneous Revenue Anticipated	A-2	7,437,490	9,409,202
Receipts from Delinquent Taxes	A-2	894,585	1,250,527
Receipts from Current Taxes	A-2	62,486,517	59,198,299
Non-Budget Revenue	A-2	610,832	491,678
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	666,219	456,816
Encumbrances Payable - Canceled	A-15	58,233	53,473
Grant Reserves Canceled	A-19	497,520	
Interfund Loan Returned		2,031,506	1,028,002
Total Income		<u>75,972,902</u>	<u>71,887,997</u>
<u>Expenditures</u>			
Budget Appropriations Within "CAPS"			
Operations:			
Salaries and Wages	A-3	7,939,979	8,217,961
Other Expenses	A-3	8,609,583	8,048,824
Deferred Charges and Statutory Expenditures	A-3	1,563,752	740,706
Budget Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages	A-3	1,098,999	1,165,040
Other Expenses	A-3	3,341,037	3,099,482
Capital Improvements	A-3	258,096	284,450
Municipal Debt Service	A-3	5,959,652	4,992,485
Deferred Charges			550,000
County Taxes	A-7	14,213,516	13,663,540
Due County for Added Taxes	A-7	38,317	30,395
Municipal Open Space Tax			292,375
Local District School Tax	A-16	29,179,520	27,494,794
Grants Receivable Canceled	A-18	624,498	
Prior Year Deductions Disallowed	A-13	3,843	3,625
Interfund Loan Advanced		2,317,875	1,983,039
Refund of Prior Year Revenue		5,343	
Total Expenditures		<u>75,154,009</u>	<u>70,566,716</u>
Excess in Revenue		818,892	1,321,281
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are By Statute			
Deferred Charges to Budget of Succeeding Year			4,249
Statutory Excess to Fund Balance		818,892	1,325,530
<u>Fund Balance</u>			
Balance January 1		1,340,095	14,565
		<u>2,158,987</u>	<u>1,340,095</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1	1,290,000	
Balance December 31	A	<u>868,987</u>	<u>1,340,095</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget 2010	Special NJSA 40A:4-87		
Fund Balance Anticipated		1,290,000		1,290,000	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-12	19,850		22,050	2,200
Fees and Permits	A-12	93,768		92,518	(1,250)
Fines and Costs:					
Municipal Court	A-12	369,213		362,779	(6,434)
Interest and Costs on Taxes	A-12	349,863		214,414	(135,449)
Interest on Investments and Deposits	A-12	50,583		66,087	15,504
Consolidated Municipal Property Tax Relief	A-12	315,021		313,085	(1,936)
Energy Receipts Tax	A-12	1,694,220		1,694,220	
Garden State PILOT Trust		84			(84)
Uniform Construction Code Fees	A-12	164,050		264,098	100,048
Recycling Tonnage Grant	A-18	47,881		47,881	
Municipal Alliance on Alcoholism & Drug Abuse	A-18	17,920		17,920	
Body Armor Replacement	A-18	2,447		2,447	
Community Development Block Grant		50,000		50,000	
Clean Shores	A-18	5,561		5,561	
Clean Communities	A-18	33,143		33,143	
Safe & Secure	A-18	60,000		60,000	
Click It or Ticket	A-18	4,000		4,000	
Recreation Opportunities for Individuals with Disabilities	A-18	8,000		8,000	
New Jersey Transportation Trust	A-18	175,000		175,000	
Uniform Fire Safety Act	A-12	69,590		111,119	41,529
Host Community Benefit Agreement	A-12	433,310		433,712	402
Over the Limit, Under Arrest	A-18		5,000	5,000	
Municipal Court Alcohol Education	A-18	1,057		1,057	
Drunk Driving Enforcement Fund	A-18	12,392		12,392	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated Budget 2010		Realized	Excess or (Deficit)
Bullet Proof Vest Program	A-18		3,495	3,495	
Employee Contribution Health Benefits	A-12	48,167		53,051	4,884
Donations	A-12	200		4,723	4,523
Ron Jaworski Management LLC	A-12	1,000,000		1,000,000	
RiverWinds Fees	A-12	1,956,579		1,854,876	(101,702)
Payment in Lieu of Taxes	A-12	75,613		80,985	5,371
Rental of Buildings and Grounds	A-12	266,419		314,619	48,200
Franchise Fees - Cable TV	A-12	101,706		129,258	27,552
Total Miscellaneous Revenues		7,425,637	8,495	7,437,490	3,357
Receipts from Delinquent Taxes	A-2	956,500		894,585	(61,915)
Subtotal General Revenues		9,672,137	8,495	9,622,075	(58,558)
Amount to be Raised by Taxation	A-2	20,605,120		20,510,066	(95,054)
Budget Totals		30,277,257	8,495	30,132,141	(153,612)
Non-Budget Revenue	A-2			610,832	
		30,277,257	8,495	30,742,973	
	Ref.	A-3	A-3		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

Analysis of Realized Revenue

	<u>Ref.</u>	
Allocation of Current Tax Collections:		
Revenue from Collections	A-7	62,486,517
Allocated to:		
School, County and Municipal Open Space Taxes		43,431,353
Balance for Support of Municipal Budget Appropriations		19,055,164
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	1,454,902
Amount for Support of Municipal Budget Appropriations	A-2	20,510,066
Receipts from Delinquent Taxes:		
Tax Title Liens	A-8	9,672
Delinquent Tax Collection	A-7	884,913
	A-2	894,585

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:		
Revenue Accounts Receivable:		
Refunds	A-12	151,590
Latch-key Program	A-12	7,000
Public Defender	A-12	4,335
Recreation/Vending Fee	A-12	31,365
Riverwinds Streetfest Sponsor	A-12	38,550
Sale of Property	A-12	8
Administrative Fees	A-12	6,380
Rivergate Parking	A-12	14,975
Player Development Building	A-12	11,699
Scrap Metal & Batteries	A-12	4,696
Recycling Program	A-12	30,753
Code Enforcement Penalties	A-12	4,900
Maps, Copies, etc.	A-12	2,588
NJ DMV Revenue	A-12	99,450
Open Public Records Act - (OPRA)	A-12	278
Voided Checks	A-12	4,187
Restitution	A-12	520
Tax Sale Fees	A-12	5,674
Miscellaneous	A-12	191,884
	A-2	610,832

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT						
Mayor and Council						
Salaries & Wages	50,027	50,027	48,476		1,551	
Other Expenses	5,800	5,800	3,035	280	2,485	
Township Clerk						
Salaries & Wages	28,502	28,502	28,404		98	
Other Expenses	33,450	33,450	24,615	8,246	588	
General Administration						
Salaries & Wages	141,287	141,287	141,272		15	
Other Expenses	89,960	89,960	88,673	637	649	
Purchasing Department						
Salaries & Wages	60,164	60,164	60,118		46	
Financial Administration (Treasury)						
Salaries & Wages	141,693	141,693	141,382		311	
Other Expenses	112,125	112,125	111,889		236	
Tax Assessment Administration						
Salaries & Wages	98,755	72,605	72,605		0	
Other Expenses	50,130	50,130	45,324	55	4,751	
Revenue Administration (Tax Collection)						
Salaries & Wages	151,566	151,566	151,545		21	
Other Expenses	10,991	10,991	6,700		4,291	
Legal Services (Legal Department)						
Other Expenses	716,102	716,102	528,017		188,085	
Engineering Services						
Other Expenses	200,000	200,000	148,181		51,819	
Buildings and Grounds						
Salaries & Wages	40,101	40,101	40,071		30	
Other Expenses	35,500	35,500	16,076	3,205	16,219	
Planning Board						
Salaries & Wages	36,141	5,141	5,123		18	
Other Expenses	128,850	128,850	84,566	64	44,220	
Zoning Board of Adjustment						
Salaries & Wages	9,165	9,165	9,131		34	
Other Expenses	17,050	19,050	3,772		15,278	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Environmental Health Services						
Other Expenses	1	1			1	
Rental Control Commission						
Other Expenses	2,900	3,900	3,750		150	
Liability Insurance						
Other Expenses	555,361	830,361	830,361			
Workers Compensation Insurance						
Other Expenses	457,624	457,624	457,624			
Employee Group Insurance						
Other Expenses	2,470,685	2,638,585	2,638,485	95	5	
Aid to Volunteer Fire Companies						
Salaries & Wages	1,921	1,921	1,900		21	
Other Expenses	190,000	190,000	92,356	52,785	44,859	
Fire Department						
Salaries & Wages	97,561	95,361	95,209		152	
Other Expenses	10,100	10,100	5,680		4,420	
Police Department						
Salaries & Wages	3,823,672	3,753,672	3,739,477		14,195	
Other Expenses	231,550	231,550	94,107	136,862	581	
Police Reserves						
Salaries & Wages	2,958	8,958	8,341		617	
Other Expenses	1,071	1,071			1,071	
LOSAP						
Other Expenses	90,000	78,200	78,200			
Streets and Road Maintenance						
Salaries & Wages	736,249	746,249	746,204		44	
Other Expenses	98,250	148,250	147,583	420	247	
Snow Removal						
Salaries & Wages	80,000	65,000	63,471		1,529	
Other Expenses	52,200	52,200	51,644	460	96	
Street Lighting						
Other Expenses	298,750	298,750	253,224		45,526	
Other Public Works Functions (Leaf Collection)						
Salaries & Wages	80,000	92,000	91,755		245	
Other Expenses	11,300	2,500	2,361	125	13	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Solid Waste Collection (Garbage and Trash)						
Salaries & Wages	1,099,942	1,095,942	1,069,201		26,740	
Other Expenses	28,600	46,600	36,562	6,680	3,358	
Maintenance of Motor Vehicles						
Other Expenses	400,837	440,837	375,552	64,223	1,062	
Sanitary Landfill						
Other Expenses	1,247,000	957,000	755,666		201,334	
Recycling						
Other Expenses	166,000	86,000	65,866		20,134	
Public Health Services (Board of Health)						
Salaries & Wages	3,516	3,516	3,500		16	
Other Expenses	5,300	5,300	4,995	95	210	
Animal Control Services (Dog Regulation)						
Salaries & Wages	1	501	301		200	
Other Expenses	1	1			1	
Commission on Disabled						
Salaries & Wages	1	1			1	
Other Expenses	3,430	1,830	1,830			
Recreation Services and Programs						
Salaries & Wages	582,275	602,275	601,672		603	
Other Expenses	170,370	202,370	187,173	14,318	878	
Office of Emergency Management						
Salaries & Wages	10,801	10,801	10,467		334	
Municipal Court						
Salaries & Wages	224,135	198,135	196,479		1,656	
Other Expenses	28,262	28,262	15,055	1,562	11,645	
Prosecutor						
Salaries & Wages	23,355	23,355	15,087		8,268	
Public Defender						
Salaries & Wages	16,340	16,340	15,833		507	
Electric						
Other Expenses	271,700	281,700	277,078		4,622	
Telephone						
Other Expenses	47,810	55,810	33,094	18,883	3,833	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Fuel Oil						
Other Expenses	14,875	14,875	13,673		1,202	
Telecommunication Costs						
Other Expenses	1	40,001			40,001	
UNIFORM CONSTRUCTION CODE -						
APPROPRIATIONS OFFSET BY DEDICATED						
REVENUES (N.J.A.C. 5:23-4.17)						
Uniform Construction Code Enforcement Functions						
Salaries & Wages	230,411	230,411	230,382		29	
Other Expenses	19,750	19,750	10,551	167	9,032	
Other Code Enforcement Functions (Plumbing)						
Salaries & Wages	17,674	17,674	17,475		198	
Other Code Enforcement Functions (Electrical)						
Salaries & Wages	27,163	27,163	26,320		843	
Other Code Enforcement Functions (Housing)						
Salaries & Wages	58,151	58,151	58,147		4	
Other Expenses	1	1	1			
Sick Leave Reserve						
Salaries & Wages	110,000	30,900	30,897		3	
Clean Communities						
Salaries & Wages	22,058	22,058	22,058			
Other Expenses	3,500	3,500	112		3,388	
RiverWinds						
Salaries & Wages	217,862	142,862	131,384		11,478	
Other Expenses	202,181	77,181	63,768	13,413		
Total Operations within "CAPS"	16,702,812	16,549,562	15,430,885	322,575	796,101	
Detail:						
Salaries & Wages	8,219,929	7,939,979	7,870,186		69,793	
Other Expenses	8,482,883	8,609,583	7,560,699	322,575	726,309	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
STATUTORY EXPENDITURES						
Deferred Charges						
Overexpenditures	4,249	4,249	4,249			
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System	286,046	286,046	286,046			
Police and Firemen's Retirement System of NJ	392,864	392,864	392,864			
Social Security System (O.A.S.I.)	727,342	727,342	699,347		27,996	
Unemployment Insurance	1	153,251	102,588		50,663	
Total Deferred Charges & Statutory Expenditures - Municipal within "CAPS"	1,410,502	1,563,752	1,485,093		78,659	
Total General Appropriations for Municipal Purposes within "CAPS"	18,113,314	18,113,314	16,915,978	322,575	874,760	
OPERATIONS EXCLUDED FROM "CAPS"						
INSURANCE						
Municipal Library						
Other Expenses	867,247	867,247	837,437		29,810	
Reserve for Tax Appeals						
Other Expenses	425,000	425,000	120,524		304,476	
Employee Group Insurance						
Other Expenses	237,934	237,934	237,934			
Aid to Volunteer Fire Companies						
Other Expenses	2,000	2,000			2,000	
STATUTORY EXPENDITURES						
Contribution to:						
Public Employees' Retirement System	286,163	286,163	286,163			
Police and Firemen's Retirement System of NJ	408,053	408,053	408,053			
Total Other Operations - Excluded from "CAPS"	2,226,397	2,226,397	1,890,111		336,286	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
ADDITIONAL APPROPRIATIONS						
OFF-SET BY REVENUES						
Clean Communities Act						
Salaries & Wages	33,143	33,143	33,143			
Safe and Secure Communities						
Salaries & Wages	60,000	60,000	60,000			
Municipal Alliance						
Other Expenses	22,400	22,400	22,400			
Green State Trust	85	85	85			
Muni Court Alcohol Rehab						
Salaries & Wages	1,057	1,057	1,057			
PUBLIC AND PRIVATE PROGRAMS						
OFF-SET BY REVENUES						
RiverWinds						
Salaries & Wages	997,855	997,855	997,855			
Other Expenses	958,724	958,724	763,755		194,968	
Clean Shores						
Other Expenses	5,561	5,561	5,561			
Recycling Tonnage Grant	47,881	47,881	47,881			
Under the limit		5,000	5,000			
Click It or Ticket	4,000	4,000	4,000			
Body Armor Replacement Fund	2,447	2,447	2,447			
Drunk Driving Enforcement						
Salaries & Wages	12,391	12,391	12,391			
Other Expenses	1	1	1			
Community Block Development Grant	50,000	50,000	50,000			
Bullet Proof Vest Program		3,495	3,495			
Individuals with Disabilities Recreation Grant						
Salaries & Wages	4,000	4,000	4,000			
Other Expenses	5,600	5,600	5,600			
Total Operations Excluded from "CAPS"	4,431,541	4,440,036	3,908,781		531,255	
Detail:						
Salaries and Wages	1,112,446	1,098,999	1,098,999			
Other Expenses	3,319,094	3,341,037	2,809,783		531,255	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	67,383	67,383	67,383		
Down Payments and Improvements	15,713	15,713	15,713		
Roadway Repair State Aid	175,000	175,000	175,000		
Total Capital Improvements Excluded from "CAPS"	258,096	258,096	258,096		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	1,182,784	1,182,784	1,182,784		
Interest on Bonds	4,609,261	4,609,261	4,609,261		
Interest on Notes	179,324	179,324	121,140		58,184
Capital Lease Obligations Prior to 7/12/07					
Principal	41,870	41,870	41,870		
Interest	6,166	6,166	4,598		1,568
Total Municipal Debt Service Excluded From "CAPS"	6,019,405	6,019,405	5,959,652		59,753
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	10,709,041	10,717,536	10,126,529		59,753
Subtotal General Appropriations	28,822,355	28,830,850	27,042,507	322,575	1,406,015
RESERVE FOR UNCOLLECTED TAXES	1,454,902	1,454,902	1,454,902		
TOTAL GENERAL APPROPRIATIONS	<u>30,277,257</u>	<u>30,285,752</u>	<u>28,497,409</u>	<u>322,575</u>	<u>1,406,015</u>
Ref.	A-2			A-15	A
	Ref.				
Budget	A-3	30,277,257			
Appropriations by 40A:4-87	A-2	8,495			
		<u>30,285,752</u>			
	Ref.				
Reserve for Federal and State Grants	A-19		431,976		
Reserve for Uncollected Taxes	A-2		1,454,902		
Deferred Charges	A-11		4,249		
Disbursed	A-4		26,606,282		
			<u>28,497,409</u>		

The accompanying notes to the financial statements are an integral part of this statement.

TRUST FUND

EXHIBIT BCOMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Dog Trust Fund</u>			
Cash-Treasurer	B-1	8,072	7,730
<u>Employee Health Claims Trust Fund</u>			
Cash - Treasurer	B-1	84,448	86,528
<u>Open Space Trust Fund</u>			
Cash - Treasurer	B-1	1,412,457	1,460,029
<u>Street Opening Trust Fund</u>			
Cash - Treasurer	B-1	74,248	88,114
Due from Current Fund		21,150	
		95,398	88,114
<u>Reeves Cemetery Trust Fund</u>			
Cash - Treasurer	B-1	4,168	4,153
<u>Tax Sale Trust Fund</u>			
Cash - Treasurer	B-1	177,714	255,384
Due from Current Fund			215
		177,714	255,599
<u>RiverWinds Community Center</u>			
Cash - Treasurer			1,275
<u>Affordable Housing</u>			
Cash - Treasurer	B-1	41,392	36,116
Due from Current Fund		4,942	
		46,334	36,116
<u>Drainage Basin</u>			
Cash - Treasurer	B-1	78,031	78,098
<u>RiverWinds Tax Defeasance Trust Fund</u>			
Cash - Treasurer	B-1	123,499	179,879
<u>Special Projects Trust Fund</u>			
Cash - Treasurer			105
<u>POAA Fees</u>			
Due from Current Fund		1,437	1,331
<u>Unemployment Trust Fund</u>			
Cash - Treasurer	B-1	73,275	89
<u>Escrow Trust Fund</u>			
Cash - Treasurer	B-1	492,840	467,816

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
<u>Mayor Food & Holiday Drive</u>			
Cash - Treasurer	B-1	14,136	
Due from Current Fund			7,090
		<u>14,136</u>	<u>7,090</u>
<u>K-9 Donations</u>			
Due from Current Fund		<u>9,279</u>	
<u>Off-Duty Police Trust Fund</u>			
Off Duty Receivables		<u>30,450</u>	
<u>Police Forfeited Funds Trust Fund</u>			
Cash - Federal Funds	B-1	1,082	1,080
Cash - State/County Funds	B-1	19,120	21,816
		<u>20,202</u>	<u>22,896</u>
		<u>2,671,740</u>	<u>2,696,848</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	Balance Dec. 31, 2010	Balance Dec. 31, 2009
<u>Dog Trust Fund</u>			
Due Current Fund		2,008	1,850
Due State of New Jersey		25	10
Reserve for Dog Fund Expenditures	B-3	6,039	5,870
		<u>8,072</u>	<u>7,730</u>
<u>Employee Health Claims Trust Fund</u>			
Due to Current Fund		84,448	2,225
Reserve for Employee Health Claims			84,303
		<u>84,448</u>	<u>86,528</u>
<u>Open Space Trust Fund</u>			
Reserve for Municipal Open Space		1,412,457	1,460,029
<u>Street Opening Trust Fund</u>			
Due Current Fund			1,466
Encumbrances Payable			9,170
Reserve for Street Opening		95,398	77,478
		<u>95,398</u>	<u>88,114</u>
<u>Reeves Cemetery Trust Fund</u>			
Due Current Fund			2
Reserve for Reeves Cemetery		4,168	4,151
		<u>4,168</u>	<u>4,153</u>
<u>Tax Sale Trust Fund</u>			
Due Current Fund		19,322	
Reserve for Tax Sale Redemption	B-4	26,192	25,898
Reserve for Tax Sale Premiums	B-5	132,200	229,701
		<u>177,714</u>	<u>255,599</u>
<u>RiverWinds Community Center</u>			
Due Current Fund			5
Reserve for RiverWinds Community Center			1,270
			<u>1,275</u>
<u>Affordable Housing</u>			
Reserve for Affordable Housing		46,334	36,116
<u>Drainage Basin</u>			
Due Current Fund		702	769
Reserve for Special Projects		77,329	77,329
		<u>78,031</u>	<u>78,098</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>RiverWinds Tax Defeasance Trust Fund</u>			
Due Current Fund		337	151,527
Reserve for RiverWinds Tax Defeasance		123,162	28,352
		<u>123,499</u>	<u>179,879</u>
<u>Special Projects Trust Fund</u>			
Due Current Fund			3
Reserve for Special Projects			102
			<u>105</u>
<u>POAA Fees</u>			
Reserve for POAA Fees		1,437	1,331
<u>Unemployment Trust Fund</u>			
Due Current Fund			88
Reserve for Unemployment Claims		73,275	1
		<u>73,275</u>	<u>89</u>
<u>Escrow Trust Fund</u>			
Due Current Fund		58,234	49,350
Reserve for Escrow Fees		434,606	418,466
		<u>492,840</u>	<u>467,816</u>
<u>Mayor Food & Holiday Drive</u>			
Reserve for Toy and Food Drive		14,136	7,090
<u>K-9 Donations</u>			
Encumbrances Payable		629	
Reserve for K-9 Donations		8,650	
		<u>9,279</u>	
<u>Off-Duty Police Trust Fund</u>			
Cash-Treasurer	B-1	10,800	
Due Current Fund		80	
Reserve for Off-Duty Police		19,570	
		<u>30,450</u>	
<u>Police Forfeited Funds Trust Fund</u>			
Reserve for Federal Forfeited Funds		1,082	1,080
Reserve for State/County Forfeited Funds		19,120	21,816
		<u>20,202</u>	<u>22,896</u>
		<u>2,671,740</u>	<u>2,696,848</u>

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL CAPITAL FUND

EXHIBIT CCOMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
Cash - Treasurer	C-2	964,152	1,107,912
Grant Receivable	C-7	236,000	344,000
Due from Water and Sewer Capital Fund			660,001
Due from Current Fund		799,409	529,144
Due from Water & Sewer Utility Operating		2,292	
Due from Federal and State Grant Fund		5,931	
Due from Water and Sewer Assessment Trust Fund			2,292
Amount to be Provided by Lease Payments		68,349	110,219
Deferred Charges to Future Taxation:			
Funded	C-5	99,450,133	100,542,917
Unfunded	C-6	1,793,196	1,666,196
		<u>103,319,462</u>	<u>104,962,681</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-10	99,450,133	100,542,917
Bond Anticipation Notes Payable	C-14	1,088,196	
Encumbrances Payable	C-12	45,069	672,508
Reserve for Down Payment on Improvements		15,712	
Obligations under Capital Lease	C-13	68,349	110,219
Capital Improvement Fund			93,467
Improvement Authorizations:			
Funded	C-9	1,249,608	2,217,398
Unfunded	C-9	769,330	868,949
Accrued Interest		15,843	15,843
Due Federal and State Grant Fund			329,670
Due Water and Sewer Capital Fund		150,544	
Fund Balance	C-1	466,678	111,710
		<u>103,319,462</u>	<u>104,962,681</u>

The accompanying notes to the financial statements are an integral part of this statement.

SCHEDULE OF FUND BALANCE - GENERAL CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2009	<u>Ref.</u> C		111,710
Increased by:			
Authorizations Canceled		248,664	
Premiums		<u>106,304</u>	
			<u>354,968</u>
Balance December 31, 2010	C		<u><u>466,678</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

WATER & SEWER UTILITY FUND

EXHIBIT D

COMPARATIVE BALANCE SHEET
WATER & SEWER UTILITY FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	Balance Dec. 31, 2010	Balance Dec. 31, 2009
<u>Operating Fund</u>			
Cash - Treasurer	D-6	3,669,717	400,694
Due from Water and Sewer Assessment Fund			422
Due from Utility Capital	D	379,926	380,960
Due from Current Fund			248,079
		<u>4,049,643</u>	<u>1,030,155</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	1,833,536	1,446,799
Deferred Charges:			
Overexpenditure of Appropriation			10,797
Operating Deficit			276,845
			<u>287,642</u>
Total Operating Fund		<u>5,883,179</u>	<u>2,764,596</u>
<u>Assessment Trust Fund</u>			
Cash - Treasurer			5,333
Assessments Receivable			14,958
Assessment Liens			7,040
Assessment Liens Interest and Costs			265
Due from Current Fund			1,515
Total Assessment Trust Fund			<u>29,111</u>
<u>Capital Fund</u>			
Cash - Treasurer	D-6	49,049	46,323
Fixed Capital	D-14	58,263,127	42,849,142
Fixed Capital Authorized and Uncompleted	D-15	170,287	16,059,433
New Jersey Wastewater Loan Proceeds Receivable			2,202,905
Due from General Capital Fund		150,544	
Due from Federal and State Grant Funds			660,001
Total Capital Fund		<u>58,633,007</u>	<u>61,817,804</u>
		<u>64,516,186</u>	<u>64,611,511</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D
(Continued)

COMPARATIVE BALANCE SHEET
WATER & SEWER UTILITY FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves	D-5:D-17	6,296	149,066
Encumbrances Payable	D-18	130,572	217,906
Reserve for Engineering Escrow		1,175	1,175
Accrued Interest on Bonds & Notes	D-22	422,106	467,560
Utility Rent Overpayments	D-19	19,019	13,227
Due General Capital Fund		2,292	
Due Current Fund		1,990,950	
		<u>2,572,410</u>	<u>848,934</u>
Reserve for Receivables		1,833,536	1,446,799
Fund Balance	D-1	1,477,233	468,863
		<u>5,883,179</u>	<u>2,764,596</u>
Total Operating Fund			
<u>Assessment Trust Fund</u>			
Assessment Overpayment			88
Due to Water and Sewer Operating Fund			422
Due to General Capital			2,292
Reserve for Assessments and Liens			21,997
Reserve for Assessment Liens Interest and Costs			265
Fund Balance			4,047
			<u>29,111</u>
Total Assessment Trust Fund			
<u>Capital Fund</u>			
Serial Bonds Payable	D-25	17,320,535	18,714,787
Improvement Authorizations:			
Funded	D-24	170,287	537,334
Unfunded			10,000
Capital Improvement Fund	D-21	42,723	42,723
Gloucester County Improvement Authority			
Lease Payable	D-27	144,651	281,781
New Jersey Wastewater Loan Payable	D-28	11,054,653	12,523,171
Reserve for Down Payment on Improvements		96,250	96,250
Due Current Fund		258,768	1,835,860
Due Utility Operating	D	379,926	380,960
Due to General Capital Fund			660,001
Reserve for Accrued Interest		1,475	1,475
Reserve for Amortization	D-23	29,160,566	26,730,289
Fund Balance	D-3	3,173	3,173
		<u>58,633,007</u>	<u>61,817,804</u>
Total Capital Fund			
		<u>64,516,186</u>	<u>64,611,511</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D-1

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
WATER & SEWER UTILITY FUND - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized			104,040
Rents	D-4	7,180,452	7,142,373
Additional Rents and Connections	D-4	3,965,898	2,530,445
Miscellaneous	D-4	795,005	155,656
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-17	53,861	93,581
Encumbrances Payable Canceled	D-18	217,906	6,375
Total Income		<u>12,213,122</u>	<u>10,032,470</u>
<u>Expenditures</u>			
Operating	D-5	7,307,243	6,750,118
Capital Improvements	D-5	131,980	11,974
Debt Service	D-5	3,387,471	3,471,435
Deficit in Operations of Prior Year	D-5	276,845	
Deferred Charges and Statutory Expenditures	D-5	101,214	86,584
Total Expenditures		<u>11,204,753</u>	<u>10,320,112</u>
Excess (Deficit) in Revenue		1,008,369	(287,642)
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year			<u>10,797</u>
		<u>1,008,369</u>	<u>(276,845)</u>
Operating Deficit to be Raised in Budget of			
Succeeding Year			276,845
<u>Fund Balance</u>			
Balance January 1	D	468,863	572,903
		<u>1,477,233</u>	<u>572,903</u>
Decreased by:			
Utilized as Anticipated Revenue			104,040
Balance December 31	D	<u><u>1,477,233</u></u>	<u><u>468,863</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D-2

STATEMENT OF FUND BALANCE - WATER & SEWER ASSESSMENT
TRUST FUND - REGULATORY BASIS

Balance December 31, 2009	<u>Ref.</u> D	4,047
Decreased by:		
Cancellation		<u>4,047</u>

EXHIBIT D-3

STATEMENT OF FUND BALANCE
WATER & SEWER CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2009	<u>Ref.</u> D	<u>3,173</u>
Balance December 31, 2010	D	<u><u>3,173</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	D-4	7,142,373	7,180,452	38,079
Additional Rents and Connections	D-4	3,965,898	3,965,898	
Miscellaneous	D-4	150,000	795,005	645,005
		<u>11,258,271</u>	<u>11,941,355</u>	<u>683,084</u>
	Ref.	D-5		

Analysis of Realized Revenue

Rents: Consumer Accounts Receivable:

Collected	D-10	11,133,123
Overpayments Applied	D-10	13,227
	D-4	<u>11,146,350</u>

Miscellaneous:

Permits		23,800
Wheeling Fee		12,544
Interest on Delinquent Accounts		89,616
Fire Hydrant		1,225
Miscellaneous Revenue		657,034
Interest on Investments		10,786
	D-4:D-6	<u>795,005</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
Operating:					
Salaries and Wages	1,181,924	1,123,396	1,123,396		
Other Expenses	6,125,319	6,183,847	6,177,344	5,572	931
Capital Improvements:					
Capital Outlay	131,980	131,980	6,960	125,000	20
Debt Service:					
Payment of Bond Principal	1,394,252	1,394,252	1,393,978		274
Payment of Bond Anticipation Note	20,000	20,000			20,000
Interest on Bonds	816,255	816,255	816,142		113
Principal and Interest - Gloucester County Improvement Authority	152,732	152,732	152,689		43
Loan Principal and Interest Payments	1,049,523	1,049,523	1,024,662		24,861
Statutory Expenditures:					
Social Security System (O.A.S.I.)	90,417	90,417	85,073		5,344
Deferred Charges:					
Overexpenditure of Appropriation	10,797	10,797	10,797		
Deficit in Operations in Prior Years	285,072	285,072	276,845		8,227
	<u>11,258,271</u>	<u>11,258,271</u>	<u>11,067,885</u>	<u>130,572</u>	<u>6,296</u>
Ref.	D-4			D-18	D
		<u>Ref.</u>			
Interest on Bonds and Notes		D-22	422,106		
Due to Current Fund			6,347,316		
Deferred Charges		D-13	287,642		
Disbursed		D-6	4,010,821		
			<u>11,067,885</u>		

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL FIXED ASSETS

EXHIBIT E

STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS

	Balance Dec. 31, 2010	Balance Dec. 31, 2009
Buildings and Grounds	50,239,203	50,239,203
Land	30,803,100	30,803,100
Furniture and Equipment	3,869,727	3,832,204
Vehicles	6,588,479	6,611,129
	<u>91,500,509</u>	<u>91,485,636</u>
Investment in General Fixed Assets	<u>91,500,509</u>	<u>91,485,636</u>

The accompanying notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township of West Deptford included every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of West Deptford, as required by N.J.S.A. 40A:5-5.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of the taxes. The Township has no component units.

B. Description of Funds and Account Groups

The accounting policies of the Township of West Deptford conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices 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. Under this method of accounting, the Township of West Deptford accounts for its transactions through the following separate funds and accounts as presented below, which differs from the funds required by G.A.A.P.

Current Fund – Resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Fund – Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund – Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. In addition, the fund is used to track the status of debt authorized for capital projects.

Water & Sewer Operating and Capital Funds – Account for the operations and acquisition of capital facilities of the municipally-owned Water & Sewer Utility.

Payroll/Payroll Agency Account – Receipt and disbursement of funds to meet obligations to employees and payroll tax liabilities.

General Fixed Assets – To account for fixed assets used in governmental operations.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differs in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant accounting principles are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues – are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. Fund balance utilized to balance the budget is recorded as revenue and budgeted transfers from other funds are also recorded as revenue when anticipated in the budget. This method of revenue recognition differs from accounting principles generally accepted in the United States of America which recognizes revenue in the accounting period in which it is earned net of allowances for doubtful accounts.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31, of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted to the extent permitted or required by law.

Appropriations for principal payments on outstanding general capital and utility capital bonds and notes are provided on the cash basis; interest on general capital and utility capital indebtedness is on the cash basis. This method differs from accounting principles generally accepted in the United States of America which requires that expenditures be recorded when services are rendered or goods are received. Under accounting principles generally accepted in the United States of America, appropriation reserves do not exist and encumbrances do not constitute expenditures.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Property Taxes – The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August and November. Any taxes that have not been paid by the 11th day of the 11th month of the year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with N.J.S.A. 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county. The inclusion of the “Reserve for Uncollected Taxes” appropriation in the Township’s annual budget protects the Township from those taxes not paid. The minimum amount of the reserve is determined by the percentage of collections experienced in the preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. Under accounting principles generally accepted in the United States of America, a “Reserve for Uncollected Taxes” would not be an appropriation.

Interest on Delinquent Taxes – It is the policy of the Township to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten day grace period.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Under accounting principles generally accepted in the United States of America, foreclosed property would be recorded at historical cost and no reserve would be provided.

Insurance – Cost of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

Interfunds – 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. Under accounting principles generally accepted in the United States of America, inter-funds are not reserved.

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 balance sheets. Under accounting principles generally accepted in the United States of America, inventory would be recorded as an asset on the balance sheet.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Proprietary Fund – Cash Flows Statement - In accordance with the reporting requirements of the Division of Local Government Services, the utility fund's financial statements do not include a statement of cash flows.

General Fixed Assets – In accordance with N.J.A.C. 5:30-5.6 accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Township has not developed a fixed assets accounting and reporting system.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

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

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value on the date of acquisition. The Township capitalizes fixed assets with an original cost in excess of \$500.

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

No depreciation has been provided for in the financial statements.

Fixed assets acquired through grants in aid have not been accounted for separately.

Property and equipment purchased by the Water & Sewer Utility Fund is recorded in the respective capital account at cost and are adjusted for dispositions and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balances in Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represent charges to operations for the costs of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

General Long Term Debt – General Long Term Debt is accounted for in the General Capital and Sewer Utility Capital Fund. Accounting principles generally accepted in the United States of America require General Long Term Debt to be accounted for in the General Long Term Debt Account Group.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or the regulatory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Capitalization of Interest – It is the policy of the Township to capitalize interest in the Sewer Capital Fund on projects during the construction phase.

D. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2: BUDGETARY INFORMATION

The Township must adopt an annual budget in accordance with N.J.S.A. 40A:4 et. al. This budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. This protects the Township from taxes not paid currently. Once approved, the Township may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per N.J.S.A. 40A:4-46 and 54. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety or welfare prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year.

Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. Budget transfers between appropriation accounts are prohibited until the last two months of the year. Budget transfers during the year were not significant. After approval from the Director, the Township can also make amendments for any special item of revenue made available by any public or private funding source as per N.J.S.A. 40A:4-87. The following budget amendments were approved as follows:

Current Fund:

Special Items of Revenue:

Over the Limit, Under Arrest	\$5,000
Bullet Proof Vest Program	<u>3,495</u>
	<u>\$8,495</u>

NOTE 3: CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits

Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be able to recover the value of its deposits or investments. Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. The municipality's policy is based on New Jersey Statutes requiring cash to be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (G.U.D.P.A.) or in qualified investments

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 3: CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk – Deposits (Continued)

established in New Jersey Statutes N.J.S.A. 40A:5-15.1(a) that are treated as cash equivalents. At December 31, 2010 and 2009, the carrying amount of the Township's deposits was \$12,545,201 and 12,097,357, respectively. As of December 31, 2010 and 2009, \$0 of the municipality's bank balance of \$12,497,532 and \$12,046,982, respectively, was exposed to Custodial Credit Risk.

NOTE 4: INVESTMENTS

As of December 31, 2010 and 2009, the Township did not have any investments.

Interest Rate Risk - The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes N.J.S.A. 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk - New Jersey Statutes N.J.S.A. 40A:5-15.1(a) limits municipal investments to those specified in the statutes. The type of allowable investments are Bonds or other obligations of the United States or obligations guaranteed by the United States, Bonds or other obligations of the Township or bonds or other obligations of the Township school district, Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units, government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The Township places no limit on the amount the Township may invest in any one issuer.

NOTE 5: FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2010	868,986	
	2009	1,340,096	1,290,000
	2008	14,565	
	2007	-	-
	2006	8,799	
Utility Operating Fund	2010	1,477,233	610,444
	2009	468,863	
	2008	572,904	104,040
	2007	258,120	
	2006	376,635	

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 6: RISK MANAGEMENT

The Township is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Township maintains commercial insurance coverage for property, liability and surety bonds. Any potential liability of the Township with respect to loss claims would be equal to the deductibles associated with policies and an event, which may exceed coverage limits. There have not been any significant reductions in insurance coverage amounts.

NOTE 7: FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the year ending December 31, 2010:

	Balance Dec. 31, 2009	Additions	Retirements	Balance Dec. 31, 2010
Buildings and Grounds	50,239,203			50,239,203
Land	30,803,100			30,803,100
Furniture and Equipment	3,947,901	88,585	166,759	3,869,727
Vehicles	6,495,432	115,697	22,650	6,588,479
	<u>91,485,636</u>	<u>204,282</u>	<u>189,409</u>	<u>91,500,509</u>

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 8: INTERFUND RECEIVABLES AND PAYABLES

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2010:

	<u>Due From</u>	<u>Due To</u>
Current Fund:		
General Capital		799,409
Off-Duty Police Trust Fund	80	
Drainage Basin	702	
Tax Sale Trust Fund	19,322	
Dog Trust Fund	2,008	
Utility Capital Fund	258,768	
Utility Operating Fund	1,990,950	
Street Opening Trust Fund		21,150
Affordable Housing Trust Fund		4,942
Employee Health Claims Trust	84,448	
K-9 Donation Trust Fund		9,279
Escrow Trust	58,234	
Riverwinds Tax Defeasance Trust	337	
POAA Trust		1,437
Grant Fund		236,986
Grant Fund:		
Current Fund	236,986	
General Capital		5,931
Utility Operating Fund:		
General Capital Fund		2,292
Utility Capital Fund	379,926	
Current Fund		1,990,950
General Capital Fund:		
Current Fund	799,409	
Utility Operating Fund	2,292	
Utility Capital Fund		150,544
Grant Fund	5,931	
Utility Capital Fund:		
Current Fund		258,768
General Capital	150,544	
Utility Operating Fund		379,926

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 8: INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

	<u>Due From</u>	<u>Due To</u>
Dog Trust Fund:		
Current Fund		2,008
Employee Health Claims Trust:		
Current Fund		84,448
Street Opening Trust Fund:		
Current Fund	21,150	
Tax Sale Trust Fund		
Current Fund		19,322
RiverWinds Tax Defeasance Trust:		
Current Fund		337
Affordable Housing Trust		
Current Fund	4,942	
POAA Fees:		
Current Fund	1,437	
Off Duty Police Trust Fund:		
Current Fund		80
Drainage Basin Trust Fund:		
Current Fund		702
K-9 Donations		
Current Fund	9,279	
Escrow Trust Fund:		
Current Fund		58,234
	<u>4,026,745</u>	<u>4,026,745</u>

NOTE 9: ECONOMIC DEPENDENCY

The Township of West Deptford is not economically dependent on any one business or industry within the Township.

NOTE 10: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements: The following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Prepaid Taxes - Cash Liability	<u>319,223</u>	<u>404,281</u>

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 11: SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District. In the Township's case, the amount of \$14,589,760 would be the maximum amount permitted to be deferred as of December 31, 2010, under these regulations. The Township has elected to defer school taxes as stated below.

Local School District Tax has been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

	<u>Local School District Tax</u>	
	<u>Balance</u>	<u>Balance</u>
	<u>Dec. 31, 2010</u>	<u>Dec. 31, 2009</u>
Balance of Tax	13,473,314	12,704,681
Deferred	12,630,951	12,630,951
Tax Payable	<u>842,363</u>	<u>73,730</u>

NOTE 12: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets of the plan are held by independent administrators, Nationwide Retirement Systems, Equitable and Annuity Life Insurance Company.

NOTE 13: ACCUMULATED ABSENCE BENEFITS

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. The liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Township and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Township and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The Township has permitted employees to accrue, as of December 31, 2010, unused sick pay. A description of the Township's policy is as follows:

47-39. Sick Leave - [Amended 12-20-79 by Ordinance No. 79-24].

- A. As used in this section, "sick leave" means paid leave, which is additional to vacation leave, that shall be granted to each full-time classified and full-time exempt Township employee who through illness or accident is unable to report for duty or who is quarantined by a physician because he or she has been exposed to a contagious disease. Part-time and full-time temporary employees are not eligible for sick leave.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 13: ACCUMULATED ABSENCE BENEFITS (CONTINUED)

Compensated Absences (Continued)

- B. During the first year of employment, sick leave shall accrue and be credited to each employee on the basis of one (1) sick day for each month of employment completed. Thereafter, sick leave shall accrue and be credited to each employee at a rate of one and one-fourth (1¼) days per month of service completed or fifteen (15) days per year. At the time of separation from Township service, the employee shall be entitled, unless otherwise excluded by contractual provisions, to separation pay on the basis of thirty percent (30%), or as a contract provides, of the sick leave accumulated and not previously used. In no event shall an employee be allowed to use accumulated sick leave as paid leave time for purposes of computing retirement date, separation and resignation date.

The total value of compensated absences owed to employees as of December 31, 2010, was \$650,891.

NOTE 14: PENSION FUNDS

Description of Plans - All required employees of the Township are covered by either the Public Employees' Retirement System or Police and Firemen's Retirement System which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the retirement systems. The reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625 or can be accessed on the internet at http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Public Employees' Retirement System (P.E.R.S.) - The Public Employees' Retirement System (P.E.R.S.) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A to provide retirement, death disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is generally required for substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another state-administered retirement system or other state or local jurisdiction.

Police and Firemen's Retirement System (P.F.R.S.) – The Police and Firemen's Retirement System was established in July, 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full-time county or municipal police and fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions of law enforcement or firefighting in the State of New Jersey.

Funding Policy – The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and N.J.S.A. 18:66 and requires contributions by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. P.E.R.S. provides for employee contributions of 5.5% of employees' annual compensation, as defined. P.F.R.S. provides for employee contributions of 8.5% of employees' annual compensation, as defined.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 14: PENSION FUNDS (CONTINUED)

Funding Policy – (Continued)

Employers are required to contribute at an actuarial determined rate in P.E.R.S. and P.F.R.S. The P.E.R.S. and P.F.R.S. rates in effect for 2010 are 8.85% and 25.88% of covered payroll, respectively as reported on June 30, 2008. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The Township's contributions to P.E.R.S. for the years ending December 31, 2010, 2009, and 2008 were \$572,209, \$276,372, and \$372,690, respectively, equal to the required contributions for each year. The Township's contributions to P.F.R.S. for the years ending December 31, 2010, 2009, and 2008 were \$800,917, \$379,579, and \$703,676 respectively, equal to the required contributions for each year.

Defined Contribution Retirement Program (D.C.R.P.) – The Township established Defined Contribution Retirement Program by ordinance on December 4, 2008, as required by Chapter 92 of the Laws of 2007 and N.J.S.A. 43:15C-1 et. seq. D.C.R.P. provides for employee contributions of 5 ½% of employees' annual base salary. Employers are required to contribute 3% of the employees' base salary. The Township's contributions to D.C.R.P. for the years ending December 31, 2010, 2009 and 2008 were \$440, \$665 and \$535 respectively, equal to the required contributions for each year.

NOTE 15: POST-RETIREMENT BENEFITS

Plan Description - Township of West Deptford, New Jersey Post-Employment Healthcare Benefit Plan is a single-employer defined benefit healthcare plan administered by Benefit Concepts. The plan provides fully-insured medical, vision, dental and prescription drug coverage to eligible retirees and their spouses.

Funding Policy - The contribution requirements of the Township are established by negotiated labor contracts. The required contribution is based on projected-pay-as-you-go financing requirements. For calendar year 2010, the Township's contribution was \$1,170 to the plan for current premiums. Plan members receiving benefits are not required to make contributions.

Annual O.P.E.B. Cost and Net O.P.E.B. Obligation - The Township's annual other postemployment benefit (O.P.E.B.) cost (expense) is calculated based on the *annual required contribution of the employer (A.R.C.)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The A.R.C. represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Township's annual O.P.E.B. cost for the year, the amount actually contributed to the plan, and changes in the Township's net O.P.E.B. obligation to West Deptford Townships Health Benefit Plan.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 15: POST-RETIREMENT BENEFITS (CONTINUED)

Annual O.P.E.B. Cost and Net O.P.E.B. Obligation – (Continued)

Annual Required Contribution (Thousands)	\$5,720
Interest on Net O.P.E.B. Obligation	\$190
Adjustment to Annual Required Contribution	\$240
Annual O.P.E.B. Cost (Expense) (Thousands)	\$5,666
Contributions Made (Thousands)	\$1,170
Increase in Net O.P.E.B Obligation (Thousands)	\$4,490
Net O.P.E.B. Obligation - Beginning of Year	\$4,160
Net O.P.E.B. Obligation - End of Year	\$8,650

The Township's annual O.P.E.B. cost, the percentage of annual O.P.E.B. cost contributed to the plan, and the net O.P.E.B. obligation for 2010 follows (dollars amounts in thousands):

Fiscal Year Ended	Annual O.P.E.B. Cost	Percentage of O.P.E.B. Cost Contributed	Net O.P.E.B. Obligation
12/31/2010	\$5,666	20.70%	\$8,650

Funded Status and Funding Progress - As of December 31, 2010, the Township is considered to be an unfunded plan. There are no plan assets. The retiree benefits are paid annually on a cash basis.

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.

The Actuarial Accrued Liability ("A.A.L.") is the present value of all future expected postretirement medical payments and administrative costs which are attributable to past service. The Township's unfunded A.A.L. is calculated to be \$61,950,000 as of December 31, 2010.

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

In the December 31, 2010, actuarial valuation, the unit credit method with amortization on a level dollar basis/open; over 30 years was used.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 16: LONG-TERM DEBT

Summary of Municipal Debt Service

Long-term debt as of December 31, 2010, consisted of the following:

	Year 2010	Year 2009	Year 2008
Bonds, Notes and Loans Issued	128,913,517	131,780,875	126,145,469
Bonds and Notes Authorized But Not Issued	1,458,009	2,429,205	1,741,955
Net Bonds, Notes and Loans Issued and Authorized But Not Issued	<u>130,371,526</u>	<u>134,210,080</u>	<u>127,887,424</u>

	Balance 12/31/2009	Issued/ Authorized	Retired/ Reduction	Balance 12/31/2010
Issued				
General:				
Serial Bonds Payable	100,542,917	90,000	1,182,784	99,450,133
Bond Anticipation Notes		1,088,196		1,088,196
Utility:				
Serial Bonds Payable	18,714,787		1,394,252	17,320,535
NJ Wastewater Loans	12,523,171		1,468,518	11,054,653
Net Debt Issued	<u>131,780,875</u>	<u>1,178,196</u>	<u>4,045,554</u>	<u>128,913,517</u>
Authorized But Not Issued				
General:				
Bonds and Notes	1,666,196	255,000	1,216,196	705,000
Utility:				
Bonds and Notes	763,009		10,000	753,009
Authorized But Not Issued	<u>2,429,205</u>	<u>255,000</u>	<u>1,226,196</u>	<u>1,458,009</u>
Total Debt Issued and Authorized But Not Issued	<u>134,210,080</u>	<u>1,433,196</u>	<u>5,271,751</u>	<u>130,371,526</u>

\$3,507,800 General Improvement Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2010, was \$2,700,375.

\$5,238,077 General Improvement Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2010, was \$4,032,378.

\$61,680,686 General Improvement Bonds dated March 1, 2004, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 2.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$57,503,916.

\$4,969,426 General Improvement Bonds dated December 8, 2005, payable in annual installments through March 2014. Interest is paid semi-annually at a rate of 3.75% - 5.00% per annum. The balance remaining at December 31, 2010, was \$3,675,487.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 16: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$5,083,733 General Improvement Bonds dated November 26, 2007, payable in annual installments through November 2022. Interest is paid semi-annually at a rate of 4.125% - 4.25% per annum. The balance remaining at December 31, 2010, was \$4,232,937.

\$5,918,380 General Improvement Bonds dated September 1, 2008, payable in annual installments through September 2018. Interest is paid semi-annually at a rate of 3.82% per annum. The balance remaining at December 31, 2009, was \$5,435,040.

\$9,945,000 General Improvement Bonds dated October 1, 2001, payable in annual installments through October 2027. Interest is paid semi-annually at a rate of 3.25% per annum. The balance remaining at December 31, 2009, was \$8,070,000.

\$1,995,000 General Improvement Refunding Bonds Series B dated September 16, 2009, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 5.73% per annum. The balance remaining at December 31, 2010, was \$1,995,000.

\$3,420,000 General Improvement Refunding Bonds Series C dated September 16, 2009, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 8.31% per annum. The balance remaining at December 31, 2010, was \$3,420,000.

\$8,385,000 General Improvement Refunding Bonds dated September 15, 2010, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 2.00% - 4.00% per annum. The balance remaining at December 31, 2010, was \$8,385,000.

\$1,088,196 Bond Anticipation Note dated April 28, 2010, payable on April 27, 2011. Interest is paid annually at a rate of 2.00% per annum. The balance remaining at December 31, 2010, was \$1,088,196.

\$8,219,123 Water & Sewer Utility Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2010, was \$6,596,131.

\$4,734,314 Water & Sewer Utility Bonds dated March 1, 2004, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 2.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$3,764,577.

\$5,800,574 Water & Sewer Utility Bonds dated December 8, 2005, payable in annual installments through September 2014. Interest is paid semi-annually at a rate of 3.50% - 5.00% per annum. The balance remaining at December 31, 2010, was \$3,939,512.

\$473,267 Water & Sewer Utility Bonds dated November 26, 2007, payable in annual installments through September 2022. Interest is paid semi-annually at a rate of 4.125% - 4.250% per annum. The balance remaining at December 31, 2010, was \$415,355.

\$2,836,620 Water & Sewer Utility Bonds dated September 1, 2008, payable in annual installments through September 2018. Interest is paid semi-annually at a rate of 3.82% per annum. The balance remaining at December 31, 2010, was \$2,604,960.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 16: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$1,735,000 NJ Wastewater Treatment Trust Loan dated November 1, 1993, payable in annual installments through August 2013. Interest is paid semi-annually at a rate of 3.09% per annum. The balance remaining at December 31, 2010, was \$222,393.

\$1,761,219 NJ Wastewater Treatment Trust Loan dated November 1, 1993, payable in annual installments through August 2013. Interest is paid semi-annually at a rate of 3.09% per annum. The balance remaining at December 31, 2010, was \$269,488.

\$690,000 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2010, was \$560,000.00.

\$711,288 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in semi-annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2010, was \$509,969.

\$2,550,000 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2010, was \$1,724,208.

\$2,672,058 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in semi-annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2010, was \$1,567,597.

\$410,000 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$380,000.

\$401,631 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in semi-annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$350,058.

\$3,045,000 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$2,830,000.

\$3,023,500.00 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in semi-annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2010, was \$2,640,940.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 16: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

As of December 31, 2010, debt service requirements on long-term debt in future years are:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General:			
2011	1,261,951	4,278,412	5,540,363
2012	4,664,913	4,244,241	8,909,154
2013	4,923,452	4,060,379	8,983,831
2014	5,314,537	3,835,876	9,150,413
2015	5,352,955	3,641,113	8,994,068
2016-2020	28,220,792	14,501,342	42,722,134
2021-2025	24,131,370	8,727,113	32,858,483
2026-2030	25,580,163	3,288,109	28,868,272
	<u>99,450,133</u>	<u>46,576,585</u>	<u>146,026,718</u>

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Utility:			
2011	2,250,419	1,028,314	3,278,733
2012	2,270,102	942,722	3,212,824
2013	2,375,794	853,921	3,229,715
2014	2,397,437	759,818	3,157,255
2015	1,612,867	695,996	2,308,863
2016-2020	7,855,927	2,640,642	10,496,569
2021-2025	6,148,941	1,379,354	7,528,295
2026-2030	3,463,701	338,310	3,802,011
	<u>28,375,188</u>	<u>8,639,077</u>	<u>37,014,265</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 indicates a statutory net debt of 3.86%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	3,770,000	3,770,000	
Water & Sewer Debt	28,910,004	28,910,004	
General Debt	101,311,678	68,349	101,243,329
	<u>133,991,682</u>	<u>32,748,353</u>	<u>101,243,329</u>

Net Debt \$101,243,329/Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended
\$2,651,316,781 =3.82%

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 16: LONG-TERM DEBT (CONTINUED)

Summary of Statutory Debt Condition – Annual Debt Statement (Continued)

Borrowing Power Under N.J.S.A. 40:A2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	92,796,087
Add: Extension of Credit Approved by Local Finance Board	15,802,745
Net Debt	<u>101,243,328</u>
Remaining Borrowing Power	<u>NONE</u>

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

Cash Receipts From Fees, Rents, or Other Charges	11,947,530
Deductions:	
Operating and Maintenance Costs	7,437,928
Debt Service Per Water & Sewer Account	<u>3,432,926</u>
	<u>10,870,854</u>
Excess in Revenue	<u>1,076,676</u>

NOTE 17: CAPITAL LEASE OBLIGATIONS

The Township had lease agreements in effect at December 31, 2010, for various capital improvements. The leases are funded through Gloucester County Improvement Authority and were all approved by the Local Finance Board prior to July 1, 2007.

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

<u>Year</u>	<u>Principal</u>	<u>Interest/Fees</u>	<u>Total</u>
General:			
2011	46,932	3,592	50,525
2012	21,417	1,092	22,509
	<u>68,349</u>	<u>4,685</u>	<u>73,034</u>
Utility:			
2011	144,068	8,580	152,648
2012	583	30	613
	<u>144,651</u>	<u>8,610</u>	<u>153,261</u>

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 18: TAX ASSESSMENT APPEALS

In November 1995, the New Jersey Supreme Court upheld a tax appeal judgment in the amount of \$4.5 million against the Township in favor of the Township's largest taxpayer Coastal Corporation, the owner/operator of a large refinery facility in the Township, which had filed complaints in the Tax Court of New Jersey seeking annual reductions of approximately \$50,000,000 from assessments of approximately \$81,000,000 for 1985 and \$74,000,000 for 1986 and 1987. The judgment was paid with the proceeds of special funding bonds of the Township issued in 1996.

In addition, Coastal sought applications of the "Freeze Act" (N.J.S.A. 54:51A-8), which would "freeze" the assessment for fiscal year 1988 and 1989, at the level determined by the Tax Court for 1987 and could result in the Township's being liable for additional refunds. On remand from the Appellate Division of the New Jersey Superior Court, the Tax Court recently ruled that the Freeze Act does not apply to tax years 1988 and 1989 and that those years should be added to the other tax years under appeal described below. Coastal appealed this decision to the Appellate Division. The Appellate Division sent the case back to the Tax Court for further proceedings. Those proceedings were concluded and the Tax Court has just recently ruled and sided with the Township by concluding that the Freeze Act does not apply for 1988 and 1989. The Township expects Coastal to appeal. If the Township is successful in any appeal by Coastal of the Tax Court's recent Freeze Act decision, the tax years 1988 and 1989, will be added to the currently pending litigation relating to the appeals for tax years since 1990. The assessments for the years 1990 through 2006, are also in dispute in related proceedings that are essentially suspended until final judicial determination of the assessments for the prior years in dispute. Because the taxpayer has not stated the amounts by which it is seeking to have the assessments reduced for these years, neither Township officials nor Special Counsel can estimate the Township's potential refund liability.

Under New Jersey Law, although the taxpayer has the right to demand payment within sixty (60) days after entry of final judgment, a variety of avenues are available to meet an unfavorable ruling in such cases, including among others, a structured settlement (pay-out over time or acceptance by taxpayer of credits against future tax levies) and the issuance of general obligation notes or bonds, such as the Special Funding Bonds, to fund such a judgment.

The Citgo case has been settled on March 5, 2009, and the Township has bonded for and paid the refund to Citgo. The Township's total refund obligation under the settlement was \$8,125,000 and that amount and all related litigation costs have been fully paid and satisfied thereby resolving all tax years (1997 through and including 2008) which had been under appeal.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 19: PROPERTY TAX INFORMATION

COMPARATIVE STATEMENT OF TAX RATE INFORMATION

	2010	2009	2008
Tax Rate	4.397	4.133	4.084
Apportionment of Tax Rate			
Municipal	1.487	1.317	1.2
County	0.906	0.936	1.001
Local School	2.004	1.88	1.883
Assessed Valuation	1,455,538,809	1,461,877,527	1,445,754,732

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

Year	Tax Levy	Currently	
		Cash Collections	Percentage of Collections
2010	64,094,159		
2009	60,519,515	62,486,517	97.49%
2008	59,247,955	59,198,299	97.82%
		57,745,472	97.46%

DELINQUENT TAXES AND TAX TITLE LIENS

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

December 31, Year	Amount of Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2010	1,164,527	1,374,537	2,539,064	3.96%
2009	1,050,822	2,565,626	3,616,448	5.98%
2008	950,499	2,894,475	3,844,973	6.49%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

Year	Amount
2010	764,800
2009	1,159,500
2008	1,159,500

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

NOTE 20: CONTINGENCIES

The Township participates in federal and state assisted grant programs. The Township is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

SUPPLEMENTARY DATA

PETRONI & ASSOCIATES LLC

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Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
Deanna Roller, CPA, RMA

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

Honorable Mayor and Members
of the Township Committee
Township of West Deptford
400 Crown Point Road
Thorofare, New Jersey 08066

We have audited the financial statements of the Township of West Deptford as of and for the year ended December 31, 2010, and have issued our report thereon dated April 15, 2011. We conducted our audit on a comprehensive basis of accounting other than U.S. generally accepted accounting principles. 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 audit requirements as 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, we considered the Township of West Deptford's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of West Deptford's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of West Deptford's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We identified a deficiency in internal control over financial reporting that we consider to be a material weakness, as defined above as item 2010-3. However, we identified a certain deficiency in internal control over financial reporting, described in the

accompanying schedule of findings and recommendations that we consider to be a significant deficiency in internal control over financial reporting as item 2010-2.

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of West Deptford's financial statements are free of 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and recommendations as item 2010-1.

This report is intended solely for the information and use of the governing body, management and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

April 15, 2011

TOWNSHIP OF WEST DEPTFORD
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Funding Department/Program	Federal CFDA Number	State Grant Number	Program Amount	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
					From	To		
Department of Law and Public Safety:								
Click it or Ticket	20.602	N/A	4,000	4,000	1/1/10	12/31/10	4,000	4,000
Over the Limit, Under Arrest	20.601	N/A	5,000		1/1/10	12/31/10	3,825	3,825
Department of Housing & Urban Development								
Community Development Block Grant	14.228	N/A	50,000		1/1/10	12/31/10	5,932	5,932
			<u>59,000</u>	<u>4,000</u>			<u>13,757</u>	<u>13,757</u>

"See accompanying notes to Schedule of Expenditures of Federal Financial Assistance and State Awards"

SCHEDULE 2

TOWNSHIP OF WEST DEPTFORD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

State Funding Department/Program	State Grant Number	Program Amount	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
				From	To		
Department of Law and Public Safety:							
Drunk Driving Enforcement	1110-448-031020-60	12,392	12,392	1/1/10	12/31/10	11,867	11,867
Drunk Driving Enforcement	1110-448-031020-60	2,556		1/1/06	12/31/06	155	2,275
Safe and Secure Communities	1020-789-066-1020	60,000	14,725	1/18/10	1/17/11	60,000	6,000
Department of Community Affairs:							
Municipal Alliance on Alcohol and Drugs	N/A	22,400	9,543	1/1/10	12/31/10	17,214	17,214
Municipal Alliance on Alcohol and Drugs	N/A	19,899		1/1/07	12/31/07	5,482	14,400
Individuals with Handicapped Recreation Grant	N/A	9,600		1/1/10	12/31/10	7,089	7,089
Individuals with Handicapped Recreation Grant	N/A	25,200	1,444	1/1/09	12/31/09	2,684	17,771
Recycling Tonnage Grant	4900-752-042-4900-001-V424-6020	47,881	47,881	1/1/10	12/31/10	3,662	3,662
Department of Health:							
Municipal Court-Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	1,057	1,057	1/1/10	12/31/10	1,057	1,057
Municipal Court-Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	11,650		1/1/06	12/31/06	4,623	6,107
		<u>212,635</u>	<u>87,042</u>			<u>113,833</u>	<u>87,442</u>

"See accompanying notes to Schedule of Expenditures of Federal Financial Assistance and State Awards"

CURRENT FUND

SCHEDULE OF CURRENT FUND CASH - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Balance December 31, 2009	A	7,847,283	
Increased by Receipts:			
Taxes	A-7	62,506,782	
Tax Title Liens	A-8	9,672	
Prepaid Taxes		319,223	
Tax Overpayments		109,637	
Tax Anticipation Note		4,465,556	
Grants Receivable	A-18	108,285	7,228
Revenue Accounts Receivable	A-12	7,622,288	138
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-13	326,319	
Grants Unappropriated	A-20	82,270	
Payroll Taxes Payable		6,441,363	
Due State of New Jersey - DCA Fees		44,562	
Petty Cash		350	
Due General Capital Fund		2,000,063	329,670
Due Escrow Trust Fund		223,397	
Due POAA Trust Fund		106	
Due from Utility Capital		1,878,074	
Due Water and Sewer Operating		5,145,811	
Due K-9 Donations		17,173	
Due from Riverwinds Tax Defeasance		151,527	
Due from Reeves Cemetary		2	
Due from Drainage Basin		769	
Due from Animal Control Trust Fund		1,850	
Due from Unemployment Trust Fund		89	
Due Municipal Open Space Trust Fund		43,670	
Due from Employee Health Claims		2,226	
Due from Street Opening Trust		24,001	
Due from Affordable Housing Trust		4,942	
Due from Riverwinds Community Center		1,276	
Due from Tax Sale Trust Fund		215	
Due from Grant Fund	A-4	237,728	
Due from Current Fund	A-4		797,203
		<u>91,769,226</u>	<u>1,134,239</u>
		<u>99,616,509</u>	<u>1,134,239</u>

SCHEDULE OF CURRENT FUND CASH - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Decreased by Disbursements:			
2010 Budget Appropriations	A-3	26,606,282	
2009 Appropriation Reserves	A-14	901,391	
Reserve for Grants - Appropriated	A-19	120,362	7,228
Grant Encumbrances Payable	A-21	2,810	
Encumbrances Payable	A-15	90,144	
Tax Overpayments		14,097	
County Taxes		14,237,678	
Due County Added & Omitted Taxes		30,395	
Due State of New Jersey - DCA Fees		24,765	
Refund of Prior Year Revenue	A-1	5,343	
Municipal Open Space		43,670	
Local District School Tax	A-16	28,410,887	
Due General Capital		1,628,976	
Payroll Taxes Payable		6,570,419	
Due Escrow Trust Fund		222,313	
Due Water and Sewer Operating		7,583,692	
Due Food & Toy Drive Trust Fund		7,090	
Due Water and Sewer Capital		204,759	660,000
Tax Anticipation Note		7,065,556	
Due Street Opening Trust		1,270	
Due Dog Trust Fund		1,445	
Due K-9 Donations		7,894	
Petty Cash		350	
Due to Grant Fund	A-4	797,203	
Due to Current Fund	A-4		237,728
		<u>94,578,791</u>	<u>904,956</u>
Balance December 31, 2010	A	<u>5,037,718</u>	<u>229,283</u>

SCHEDULE OF CURRENT FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Balance December 31, 2010	A-4	5,037,718	229,283
Increased by Receipts:			
Cash Receipts Record		54,767,563	416
		59,805,281	229,699
Decreased by Disbursements:			
Cash Disbursements Record		53,586,476	30,827
Balance April 29, 2011	A-5	6,218,805	198,872

Cash Reconciliation - April 29, 2011

Balance per Statement			
TD Bank		96,718	
Columbia Bank		5,662,021	199,196
The Bank		66,947	
Add: Deposit in Transit		706,580	
Less: Outstanding Checks		313,461	324
Balance April 29, 2011	A-5	6,218,805	198,872

SCHEDULE OF CHANGE FUND

Balance December 31, 2009	<u>Ref.</u> A	<u>1,600</u>
Balance December 31, 2010	A	<u><u>1,600</u></u>

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2010 Levy	Added Taxes	Collected		Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2009			2009	2010				Dec. 31, 2010
1992	123						123		
1993	115				115				
1995	10,553						10,553		
1996	10,185						10,185		
1997	1,045						1,045		
1998	2,092						2,092		
2000	27,516						27,516		
2001	29,572						29,572		
2002	31,287				1,417		29,870		
2003	226,782				8,103		218,679		
2004	257,684				9,647		246,566		1,471
2005	354,072				8,044		344,302	463	1,263
2006	385,372				8,829		373,138		3,405
2007	222,817				12,591		197,831		12,395
2008	106,100		37,819		37,819	13,253	45,172		47,675
2009	900,310		39,673		785,095		31,614	49,961	73,313
	2,565,625		77,492		871,660	13,253	1,568,258	50,424	139,522
2010		64,094,159		404,281	61,957,520	124,716	261,935	110,692	1,235,015
	2,565,625	64,094,159	77,492	404,281	62,829,180	137,969	1,830,193	161,116	1,374,537
Ref.	A							A-8	A
				Ref.					
		Cash - Treasurer		A-4	62,506,782				
		Due State of New Jersey		A-13	322,398				
					62,829,180				

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax:			
Business Personalty Tax		1,323,172	
General Property Tax		62,676,873	
			64,000,045
Added Taxes (54:4-63.1 et seq.)			94,114
			64,094,159

	<u>Ref.</u>		
<u>Tax Levied</u>			
Local District School Tax (Abstract)	A-16		29,179,520
County Taxes:			
County Tax (Abstract)		13,179,233	
Due County for Added Taxes			
(54:4-63.1 et seq.)		38,317	
Due County for Open Space		1,034,283	
Total County Taxes			14,251,833
Local Tax for Municipal Purposes	A-2	20,605,120	
Add: Additional Taxes Levied		57,686	
			20,662,806
			64,094,159

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>		
Balance December 31, 2009	A		1,050,822
Increased by:			
Transfers from Taxes Receivable	A-7	161,116	
Interest and Costs		12,623	
			<u>173,739</u>
Decreased by:			<u>1,224,561</u>
Cash Receipts	A-4	9,672	
Canceled		50,362	
			<u>60,034</u>
Balance December 31, 2010	A		<u><u>1,164,527</u></u>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

	<u>Ref.</u>		
Balance December 31, 2009	A		1,159,500
Decreased by:			
Adjustment			<u>394,700</u>
Balance December 31, 2010	A		<u><u>764,800</u></u>

SCHEDULE OF MISCELLANEOUS LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2009	A	7,165
Decreased by:		
Canceled		<u>7,165</u>

SCHEDULE OF DEFERRED CHARGES

		<u>Balance Dec. 31, 2009</u>	<u>Raised in 2010 Budget</u>
Overexpenditure of Appropriation		<u>4,249</u>	<u>4,249</u>
	Ref.	A	A-3

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2009	Accrued in 2010	Collected	Balance Dec. 31, 2010
<u>Miscellaneous Revenue Anticipated</u>				
Licenses:				
Alcoholic Beverages		22,050	22,050	
Fees and Permits		92,518	92,518	
Fines and Costs:				
Municipal Court	22,894	367,649	362,779	27,764
Interest and Costs on Taxes		214,414	214,414	
Interest on Investments and Deposits		66,087	66,087	
Consolidated Municipal Property Tax Relief		313,085	313,085	
Energy Receipts Tax		1,694,220	1,694,220	
Uniform Construction Code Fees		264,098	264,098	
Uniform Fire Safety Act		111,119	111,119	
Host Community Benefit Agreement		433,712	433,712	
Donations		4,723	4,723	
Employee Contribution Health Benefits		53,051	53,051	
Ron Jaworski Management LLC		1,000,000	1,000,000	
RiverWinds Fees		1,854,876	1,854,876	
Payment in Lieu of Taxes		80,985	80,985	
Rental of Buildings and Grounds		314,619	314,619	
Franchise Fees - Cable TV		129,258	129,258	
<u>Miscellaneous Revenue Not Anticipated</u>				
Refunds		151,590	151,590	
Latchkey Program		7,000	7,000	
Public Defender		4,335	4,335	
Recreation/Vending Fee		31,365	31,365	
Riverwinds Streetfest Sponsor		38,550	38,550	
Sale of Property		8	8	
Administrative Fees		6,380	6,380	
Rivergate Parking		14,975	14,975	
Player Development Building		11,699	11,699	
Scrap Metal & Batteries		4,696	4,696	
Recycling Program		30,753	30,753	
Code Enforcement Penalties		4,900	4,900	
Maps, Copies, etc.		2,588	2,588	
NJ DMV Revenue		99,450	99,450	
OPRA		278	278	
Voided Checks		4,187	4,187	
Restitution		520	520	
Tax Sale Fees		5,674	5,674	
Miscellaneous		191,884	191,884	
	<u>22,894</u>	<u>7,627,296</u>	<u>7,622,426</u>	<u>27,764</u>
Ref.	A		A-4	A

SCHEDULE OF AMOUNT DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZEN AND VETERANS DEDUCTIONS

Balance December 31, 2009	<u>Ref.</u> A		25,916
Increased by:			
2010 Deductions Per Tax Duplicate		317,500	
2010 Deductions Allowed by Collector		7,250	
2010 Deductions Disallowed by Collector		(2,352)	
		<hr/>	
	A-7	322,398	
2009 Deductions Disallowed by Collector	A-1	(3,843)	
		<hr/>	
			318,555
			<hr/>
			344,471
Decreased by:			
Cash Receipts	A-4		326,319
			<hr/>
Balance December 31, 2010	A		<u><u>18,152</u></u>

SCHEDULE OF 2009 APPROPRIATION RESERVES

	Balance Dec. 31, 2009	Encumbrance Canceled	Balance After Transfers	Paid or Charged	Balance Lapsed
Other Expenses					
General Administration	2,363		2,363	2,251	112
Purchasing Department	20,499		78,499	77,319	1,180
Mayor and Township Council	1,970		1,970	529	1,441
Township Clerk	1,819		1,819	18	1,801
Financial Administration	1,460		1,460	1,266	194
Tax Assessment Administration	5,887		5,887	5,792	95
Revenue Administration	5,944		5,944	5,900	44
Legal Services	33,372		33,372	3,750	29,622
Buildings and Grounds		1,520	56,520	55,198	1,322
Planning Board	111,579		5,329	1,489	3,840
Zoning Board of Adjustment	6,586		6,586	5,763	823
Group Plan for Employees	10,815		221,065	218,640	2,425
Aid to Volunteer Fire Co.	122,551		122,551	42,494	80,057
Police	4,089		4,089	60	4,029
Streets and Roads	956		26,956	21,846	5,110
Snow Removal	45,834		45,834	45,834	
Street Lighting	2,172		2,172	1,198	974
Other Public Works Functions (Leaf Collection)	743		2,743	70	2,673
Solid Waste Collection	10,214		61,214	60,840	374
Sanitary Landfill	146,082		210,082	206,466	3,616
Recycling	76,512		12		12
Commission of Disabled	1,785		1,785	570	1,215
Recreation Services	472		7,972	1,491	6,481
Municipal Court	12,409		12,409	7,943	4,466
Uniform Construction Code Officials	5,782		5,782	551	5,231
RiverWinds	111,646		111,646	16,208	95,438
Social Security	23,307		23,307	50	23,257
Municipal Library	7,520		7,520	7,476	44
Reserve for Tax Appeals	396,354		396,354	116,511	279,843
Levy Waiver Reserve for Tax Appeals	20,667		20,667	7,331	13,336
Other Accounts - No Change	388,164		97,164		97,164
	<u>1,579,553</u>	<u>1,520</u>	<u>1,581,073</u>	<u>914,854</u>	<u>666,219</u>

Ref. A

A-1

Encumbered
DisbursedRef.
A-15
A-413,463
901,391
914,854

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>		
Balance December 31, 2009	A		148,377
Increased by:			
Charges to 2010 Appropriations	A-3	322,575	
Charges to Appropriation Reserves	A-14	<u>13,463</u>	
			<u>336,038</u>
			484,415
Decreased by:			
Cash Disbursements	A-4	90,144	
Canceled	A-1	<u>58,233</u>	
			<u>148,377</u>
Balance December 31, 2010	A		<u><u>336,038</u></u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance December 31, 2009			
School Tax Payable	A	73,730	
School Tax Deferred	A-16	<u>12,630,951</u>	
			12,704,681
Increased by:			
2010 - 2011 School Levy			<u>29,179,520</u>
			41,884,201
Decreased by:			
Payments	A-4		<u>28,410,887</u>
Balance December 31, 2010			
School Tax Payable	A	842,363	
School Tax Deferred	A-16	<u>12,630,951</u>	
			<u>13,473,314</u>
2010 Tax Liability for Local District School Tax:			
Tax Levy	A-16		29,179,520
Taxes Deferred December 31, 2009	A-16		<u>12,630,951</u>
			41,810,471
Less Taxes Deferred December 31, 2010	A-16		<u>12,630,951</u>
Amount Charged to 2010 Operations	A-1		<u>29,179,520</u>

SCHEDULE OF RESERVE FOR REVALUATION

	<u>Ref.</u>	
Balance December 31, 2009	A	<u>6,805</u>
Balance December 31, 2010	A	<u><u>6,805</u></u>

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

	Balance Dec. 31, 2009	2010 Budget Revenue Realized	Received	From Grants Unappropriated	Canceled	Balance Dec. 31, 2010
<u>Federal Grants</u>						
Cops Fast Grant	31,278					31,278
Law Enforcement Block Grant	11,323				11,323	
Cops Small Communities	60,000				60,000	
West Deptford RiverWinds Bike Trail	182,518					182,518
Over the Limit Under Arrest	125	5,000			125	5,000
Click It or Ticket		4,000		4,000		
Bullet Proof Vest Program	11,227	3,495	3,495			11,227
Buckle Up	4,000					4,000
Body Armor Replacement Fund		2,447		2,447		
Community Development Block Grant		50,000				50,000
	<u>300,471</u>	<u>64,942</u>	<u>3,495</u>	<u>6,447</u>	<u>71,448</u>	<u>284,023</u>
<u>State Grants</u>						
New Jersey State Library Aging Grant	3,207				3,207	
New Jersey State Library/School Co-op Grant	1,175				1,175	
Clean Communities	3,431	33,143	33,143			3,431
Municipal Alliance Youth Service	39,877	17,920	25,186		717	31,894
Recycling Tonnage Grant		47,881		47,881		
Safe & Secure	44,245	60,000	44,245			60,000
Municipal Court Alcohol Education		1,057		1,057		
NJ Transportation Trust	181,500				144,000	37,500
Domestic Violence Training Grant	2,200				2,200	
Individuals with Handicapped Recreation Grant	12,353		1,444			10,909
DRPA Economic Development Grant	49,187				49,187	
Drunk Driving Enforcement Fund		12,392		12,392		
Clean Shores		5,561		5,561		
Hazardous Emergency Operations Planning	2,406				2,406	
Handicapped Recreation Grant		8,000	8,000			
Road Repair State Aid	277,142	175,000			200,000	252,142
Road Aid Academy & Colonial	150,000				150,000	
Buffer Zone Protection Program	158				158	
Municipal Stormwater	12,029					12,029
	<u>778,910</u>	<u>360,954</u>	<u>112,018</u>	<u>66,891</u>	<u>553,050</u>	<u>407,905</u>
	<u>1,079,381</u>	<u>425,896</u>	<u>115,513</u>	<u>73,338</u>	<u>624,498</u>	<u>691,928</u>
Ref.	A	A-2	A-4	A-20	A-1	A

SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED

	Balance Dec. 31, 2009	Transferred from 2010 Budget Appropriation	Disbursed	Encumbrance Canceled	Canceled	Balance Dec. 31, 2010
<u>Federal Grants:</u>						
Law Enforcement Block Grant	397				397	
West Deptford RiverWinds Bike Trail	447,176					447,176
Click It or Ticket	800	4,000	4,000			800
Bullet Proof Vest Program	2,845	3,495				6,340
Body Armor Replacement Fund	7,163	2,447				9,610
Buckle Up	2,000					2,000
Community Development Block Grant		50,000	5,932			44,068
Over the Limit, Under Arrest		5,000	3,825			1,175
	<u>460,381</u>	<u>64,942</u>	<u>13,757</u>		<u>397</u>	<u>511,169</u>
<u>State Grants:</u>						
Clean Communities	150	33,143		50		33,343
Municipal Alliance Youth Service	19,100	22,400	22,696		717	18,087
Recycling Tonnage Grant	7,463	47,881	3,662			51,682
Safe & Secure	22	60,000	60,000			22
Municipal Court Alcohol Education	11,165	1,057	5,680			6,542
NJ Transportation Trust	494,000	175,000			494,000	175,000
Individuals with Handicapped Recreation Gran	37,621	9,600	9,773	3,901		41,349
Drunk Driving Enforcement Fund	10,875	12,392	12,022			11,245
Hazardous Emergency Operations Planning	2,406				2,406	
Clean Shores	6,355	5,561				11,916
RiverWinds Generator	197,366			247		197,613
Municipal Stormwater	12,029					12,029
	<u>798,552</u>	<u>367,034</u>	<u>113,833</u>	<u>4,198</u>	<u>497,123</u>	<u>558,828</u>
	<u>1,258,933</u>	<u>431,976</u>	<u>127,590</u>	<u>4,198</u>	<u>497,520</u>	<u>1,069,997</u>
	A	A-3	A-4	A-21	A-1	A

SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED

	Balance Dec. 31, 2009	Receipts	To Grants Receivable	Balance Dec. 31, 2010
Federal Grants:				
Click It or Ticket	4,000	4,000	4,000	4,000
Emergency Management		5,000		5,000
State Grants:				
Clean Shores	5,561		5,561	
Drunk Driving Enforcement	12,392	6,993	12,392	6,993
Body Armor	2,447	5,234	2,447	5,234
Handicapped Recreation Opportunities Grant				
Recycling Tonnage Grant	47,881	58,982	47,881	58,982
Municipal Court Alcohol Education	1,057	2,061	1,057	2,061
	<u>73,338</u>	<u>82,270</u>	<u>73,338</u>	<u>82,270</u>
	A	A-4	A-18	A

SCHEDULE OF FEDERAL AND STATE GRANT ENCUMBRANCES PAYABLE

	<u>Ref.</u>		
Balance December 31, 2009	A		7,008
Decreased by:			
Encumbrance Canceled	A-19	4,198	
Disbursements	A-4	2,810	
		<hr/>	<hr/>
			7,008

TRUST FUND

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Dog Trust Fund	Employee Health Claims Trust Fund	Municipal Open Space Trust Fund	Street Opening Trust Fund	Reeves Cemetery Trust Fund	Tax Sale	Off-Duty Police	RiverWinds Community Center
Balance December 31, 2009	B	7,730	86,528	1,460,029	88,114	4,153	255,384		1,275
Increased by Receipts:									
Dog License Fees:									
Municipal Share	B-3	3,510							
State Share		808							
Street Openings					10,020				
Tax Sale Redemption	B-4						294,981		
Tax Sale Premium	B-5						15,400		
Off-Duty Police								59,304	
Interest		79	145	12,996	115		94	80	
Due from Current Fund		135				15	19,660		
		4,532	145	12,996	10,135	15	330,135	59,384	
		12,262	86,673	1,473,025	98,249	4,168	585,519	59,384	1,275
Decreased by Disbursements:									
Expenditures Under R.E. 4:19-15.11	B-3	2,455							
Open Space				60,568					
Tax Sale Redemption	B-4						294,687		
Tax Sale Premium	B-5						112,901		
Off-Duty Police								70,184	
Due Current Fund		1,735	2,225		24,001		217		1,275
		4,190	2,225	60,568	24,001		407,805	70,184	1,275
Balance December 31, 2010	B	8,072	84,448	1,412,457	74,248	4,168	177,714	(10,800)	

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Riverwinds Tax Defeasance	Special Projects Trust Fund	Unemployment Trust Fund	Affordable Housing	Drainage Basin	Escrow Trust Fund	Forfeited Funds	Mayor Toy Drive
Balance December 31, 2009	B	179,879	105	89	36,116	78,098	467,816	22,896	
Increased by Receipts:									
Riverwinds Tax Defeasance		1,094,810							
Escrow Fees							459,742		
Affordable Housing					4,942				
Donations									20,771
Unemployment				149,227					
Forfeited Funds								4,659	
Due from Current Fund									7,090
Interest		337			334	702		39	
		<u>1,095,147</u>		<u>149,227</u>	<u>5,276</u>	<u>702</u>	<u>459,742</u>	<u>4,698</u>	<u>27,861</u>
		<u>1,275,026</u>	<u>105</u>	<u>149,316</u>	<u>41,392</u>	<u>78,800</u>	<u>927,558</u>	<u>27,594</u>	<u>27,861</u>
Decreased by Disbursements:									
Escrow Fees							434,718		
Unemployment Claims				75,952					
Law Enforcement Purchases								7,392	
Due Current Fund		1,151,527	105	89		769			13,725
		<u>1,151,527</u>	<u>105</u>	<u>76,041</u>		<u>769</u>	<u>434,718</u>	<u>7,392</u>	<u>13,725</u>
Balance December 31, 2010	B	<u>123,499</u>		<u>73,275</u>	<u>41,392</u>	<u>78,031</u>	<u>492,840</u>	<u>20,202</u>	<u>14,136</u>

EXHIBIT B-2

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Dog Trust Fund</u>	<u>Employee Health Claims Trust Fund</u>	<u>Open Space Trust Fund</u>	<u>Street Opening Trust Fund</u>	<u>Reeves Cemetery Trust Fund</u>	<u>Tax Sale</u>	<u>Forfeited Funds</u>	<u>Off Duty Police Trust Fund</u>
Balance December 31, 2010	B-1	8,072	84,448	1,412,457	74,248	4,168	177,714	20,202	(10,800)
Increased by Receipts:									
Cash Receipts Record		2,088		2,753	41,150		15,152	29,107	55,388
		10,160	84,448	1,415,210	115,398	4,168	192,866	49,309	44,588
Decreased by Disbursements:									
Cash Disbursements Record		1,955	84,448	38,953		4,168	42,857	2,683	15,567
Balance April 29, 2011	B-2	<u>8,205</u>		<u>1,376,257</u>	<u>115,398</u>		<u>150,009</u>	<u>46,626</u>	<u>29,021</u>

Cash Reconciliation - April 29, 2011

Balance Per Bank Statement									
Columbia Bank		8,185		1,376,257					29,021
Bank of America					115,398				
Wells Fargo							18,390		
The Bank							132,200		
TD Bank								46,626	
Add: Deposits in Transit		20					215		
Less: Outstanding Checks							796		
Balance April 29, 2011	B-2	<u>8,205</u>		<u>1,376,257</u>	<u>115,398</u>		<u>150,009</u>	<u>46,626</u>	<u>29,021</u>

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Riverwinds Tax Defeasance</u>	<u>POAA Trust Fund</u>	<u>Unemployment Trust Fund</u>	<u>Affordable Housing Trust Fund</u>	<u>Drainage Basin Trust Fund</u>	<u>K-9 Donations Trust Fund</u>	<u>Mayor Toy Drive</u>	<u>Escrow Trust Fund</u>
Balance December 31, 2010	B-1	123,499		73,275	41,392	78,031		14,136	492,840
Increased by Receipts:									
Cash Receipts Record			1,468	15,494	9,988	153	9,938	22	328,308
		123,499	1,468	88,769	51,380	78,184	9,938	14,158	821,148
Decreased by Disbursements:									
Cash Disbursements Record		337		38,622		702			53,742
Balance April 29, 2011	B-2	<u>123,162</u>	<u>1,468</u>	<u>50,147</u>	<u>51,380</u>	<u>77,482</u>	<u>9,938</u>	<u>14,158</u>	<u>767,406</u>

Cash Reconciliation -April 29, 2011

Balance Per Bank Statement									
Columbia Bank			1,450	50,147	51,380	77,482	9,938		
The Bank								14,158	
TD Bank		123,162							767,406
Add: Deposits in Transit			18						
Balance April 29, 2011	B-2	<u>123,162</u>	<u>1,468</u>	<u>50,147</u>	<u>51,380</u>	<u>77,482</u>	<u>9,938</u>	<u>14,158</u>	<u>767,406</u>

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2009	<u>Ref.</u> B		5,871
Increased by:			
Municipal Share of Dog License Fees	B-1		3,510
			<hr/> 9,381
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-1	2,455	
Disbursed by Current		887	
		<hr/>	<hr/> 3,342
Balance December 31, 2010	B		<hr/> <hr/> 6,039

License Fees Col

<u>Year</u>	<u>Amount</u>
2008	3,117
2009	2,922
	<hr/> 6,039
	<hr/> <hr/>

EXHIBIT B-4SCHEDULE OF RESERVE FOR TAX SALE REDEMPTION

Balance December 31, 2009	<u>Ref.</u> B	25,898
Increased by:		
Receipts	B-1	294,981
		<u>320,879</u>
Decreased by:		
Disbursements	B-1	294,687
		<u>294,687</u>
Balance December 31, 2010	B	<u>26,192</u>

EXHIBIT B-5SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

Balance December 31, 2009	<u>Ref.</u> B	229,701
Increased by:		
Receipts	B-1	15,400
		<u>15,400</u>
Decreased by:		
Disbursements	B-1	112,901
		<u>112,901</u>
Balance December 31, 2010	B	<u>132,200</u>

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

Balance December 31, 2009	<u>Ref.</u> C		1,107,912
Increased by:			
Due from Current Fund	C-4	829,933	
Due from Water and Sewer Capital Fund	C-4	660,001	
Grants Receivable	C-4	108,000	
Bond Anticipation Note	C-14	1,088,196	
General Serial Bonds	C-10	90,000	
			<u>2,776,130</u>
			3,884,042
Decreased by:			
Due from Current Fund	C-4	2,000,063	
Due from Water and Sewer Capital Fund	C-4	380,960	
Due Federal and State Grant Fund	C-4	329,670	
Improvement Authorizations	C-9	209,197	
			<u>2,919,890</u>
Balance December 31, 2010	C		<u><u>964,152</u></u>

EXHIBIT C-3

SCHEDULE OF GENERAL CAPITAL CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

Balance December 31, 2010	<u>Ref.</u> C-2	964,152
Increased by:		
Cash Receipts Record		1,113,534
		<hr/> 2,077,685
Decreased by:		
Cash Disbursements Record		97,601
		<hr/>
Balance April 29, 2011	C-3	<hr/> <hr/> 1,980,084
<u>Cash Reconciliation - April 29, 2011</u>		
Balance Per Statement Columbia Bank		1,980,084
Balance April 29, 2011	C-3	<hr/> <hr/> 1,980,084

SCHEDULE OF GENERAL CAPITAL FUND CASH

	Balance Dec. 31, 2009	Receipts		Disbursements		Transfers To/(From)	Balance Dec. 31, 2010
		Bonds and Bond Anticipation Note	Miscellaneous	Improvement Authorization	Miscellaneous		
Fund Balance	111,710					354,968	466,678
Encumbrances Payable	672,508					(627,439)	45,069
Capital Improvement Fund	93,467		67,383			(160,850)	
Due from Water and Sewer Capital	(660,001)		660,001		380,960	531,504	150,544
Due Current Fund	(529,144)		746,837		2,000,063	982,961	(799,409)
Due from Water and Sewer Assessment Trust Fund	(2,292)					2,292	
Due Water and Sewer Utility						(2,292)	(2,292)
Due Grant Fund	329,670				329,670	(5,931)	(5,931)
Grant Receivable	(344,000)		108,000				(236,000)
Reserve for Down Payment on Improvements			15,712				15,712
Accrued Interest	15,843						15,843
Improvement Authorizations:							
Ordinance							
Number							
2004-12 Acquisition, Construction, Repair and Installation of Various Capital Improvements	177,237					(177,237)	
2004-13 Acquisition, Construction, Repair and Installation of Various Capital Improvements to RiverWinds Redevelopment Project	71,427					(71,427)	
2005-7 Acquisition, Construction, Repair and Installation of Various Capital Improvements	853,710			209,197		(153,947)	490,566
2006-14 Acquisition, Construction, Repair and Installation of Various Capital Improvements	179,598						179,598
2007-8 Acquisition, Construction, Repair and Installation of Various Capital Improvements	432,650					(337,346)	95,304
2007 Bond Ordinance-Costs of Issuance	58,687						58,687
2008-9 Acquisition, Construction, Repair and Installation of Various Capital Improvements	(797,247)	940,946				(136,665)	7,034
2008 Bond Ordinance - Costs of Issuance	57,460						57,460
2008-16 Purchase of Equipment for Various Departments	45,973						45,973
2009-8 Bond Ordinance-Costs of Issuance	17,270					(10,940)	6,330
2009-12 Purchase of Equipment for Various Departments	115,637						115,637
2009-13 Acquisition, Construction, Repair and Installation of Various Capital Improvements	207,750	147,250				(20,562)	334,438
2010-11 Purchase of Equipment for Various Departments						12,865	12,865
2010-8 Bond Ordinance - Costs of Issuance		90,000				(179,953)	(89,953)
	1,107,912	1,178,196	1,597,933	209,197	2,710,693		964,152
Ref.	C	C-11	C-2	C-9	C-2		C

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED

Balance December 31, 2009	<u>Ref.</u> C	100,542,917
Increased by:		
Bond Issued	C-10	90,000
		<u>100,632,917</u>
Decreased by:		
Payments on General Serial Bonds	C-10	1,182,784
Balance December 31, 2010	C	<u><u>99,450,133</u></u>

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	Authorized	Canceled	Balance Dec. 31, 2010	Analysis of Balance Dec. 31, 2010	
						Expenditures	Unexpended Improvement Authorizations
2004-13	Acquisition, Construction and Installation of Various Capital Improvements to the RiverWinds Redevelopment Project	38,000		38,000			
2008-9	Acquisition, Construction, Repair and Installation of Various Capital Improvements	940,946			940,946	940,946	
2009-7	Bond Ordinance - Costs of Issuance	335,000			335,000		335,000
2009-8	Bond Ordinance - Settlement	205,000			205,000		205,000
2009-13	Acquisition, Construction, Repair and Installation of Various Capital Improvements	147,250			147,250	147,250	
2010-8	Bond Ordinance - Settlement		165,000		165,000	89,953	75,047
		<u>1,666,196</u>	<u>165,000</u>	<u>38,000</u>	<u>1,793,196</u>	<u>89,953</u>	<u>615,047</u>
Ref.		C	C-9	C-11	C	C-4	C-9

EXHIBIT C-7

SCHEDULE OF GRANTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2009	C	344,000
Decreased by:		
Receipts	C-2	<u>108,000</u>
Balance December 31, 2010	C	<u><u>236,000</u></u>

EXHIBIT C-8

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	C	93,467
Increased by:		
Budget Appropriation		<u>67,383</u>
		160,850
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-9	<u>160,850</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2009		2010 Authorizations	Paid or Charged	Encumbered	Canceled	Balance December 31, 2010	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
2004-12	Acquisition, Construction, Repair and Installation of Various Capital Improvements	6/10/04	486,000	177,237					177,237		
2004-13	Acquisition, Construction, Repair and Installation of Various Capital Improvements to the RiverWinds Redevelopment Project	6/10/04	380,000	71,427	38,000				109,427		
2005-7	Acquisition, Construction, Repair and Installation of Various Capital Improvements	5/5/05	1,254,750	853,710			363,144			490,566	
2006-14	Acquisition, Construction, Repair and Installation of Various Capital Improvements	5/11/06	1,278,527	179,598						179,598	
2007-8	Acquisition, Construction, Repair and Installation of Various Capital Improvements	6/7/07	1,375,000	432,650			337,346			95,304	
2007	Bond Ordinance - Costs of Issuance	11/26/07	73,187	58,687						58,687	
2008-9	Acquisition, Construction, Repair and Installation of Various Capital Improvements	12/30/08	1,134,470		143,699		130,031	6,634			7,034
2008	Bond Ordinance - Costs of Issuance		57,460	57,460						57,460	
2008-16	Purchase of Equipment for Various Departments	12/30/08	83,000	45,973						45,973	
2009-7	Bond Ordinance - Costs of Issuance	5/14/09	743,223		335,000						335,000
2009-8	Bond Ordinance - Settlement	3/12/09	8,500,000	115,638	205,000					115,638	205,000
2009-12	Purchase of Equipment for Various Departments	8/6/09	76,700	17,270			10,940			6,330	
2009-13	Acquisition, Construction, Repair and Installation of Various Capital Improvements	12/10/09	355,000	207,750	147,250		20,562			187,188	147,250
2010-11	Purchase of Equipment for Various Departments	8/5/10	269,133			160,850	114,847	33,138		12,865	
2010-8	Bond Ordinance - Costs of Issuance	8/5/10	255,000			255,000	179,953				75,047
				<u>2,217,398</u>	<u>868,949</u>	<u>415,850</u>	<u>1,156,823</u>	<u>39,772</u>	<u>286,663</u>	<u>1,249,608</u>	<u>769,330</u>
	Ref.		C	C				C-12		C	C
					<u>Ref.</u>						
	Capital Improvement Fund				C-8	160,850					
	Deferred Charges-Unfunded				C-6	165,000					
	Deferred Charges-Funded				C-5	<u>90,000</u>					
						<u>415,850</u>					
					<u>Ref.</u>						
	Cash Disbursements				C-2	209,197					
	Due to Current Fund					<u>947,626</u>					
						<u>1,156,823</u>					

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2009	Increased/ Refunding	Decreased	Balance Dec. 31, 2010
			Outstanding	December 31, 2010					
			Date	Amount					
General Obligation Bonds of 2003	9/1/03	3,507,800	9/1/12	118,891	4.500%				
			9/1/13	124,060	4.500%				
			9/1/14	129,229	4.500%				
			9/1/15	135,432	4.500%				
			9/1/16	140,601	4.500%				
			9/1/17	147,838	4.500%				
			9/1/18	154,041	4.500%				
			9/1/19	161,278	4.500%				
			9/1/20	168,515	4.625%				
			9/1/21	175,752	4.750%				
			9/1/22	177,820	4.750%				
			9/1/23	177,820	4.800%				
			9/1/2024/28	177,820	4.875%	2,700,375			2,700,375
General Obligation Bonds of 2003	9/1/03	5,238,077	9/1/12	177,536	4.500%				
			9/1/13	185,255	4.500%				
			9/1/14	192,974	4.500%				
			9/1/15	202,236	4.500%				
			9/1/16	209,955	4.500%				
			9/1/17	220,762	4.500%				
			9/1/18	230,025	4.500%				
			9/1/19	240,831	4.500%				
			9/1/20	251,638	4.625%				
			9/1/21	262,444	4.750%				
			9/1/22	265,532	4.750%				
			9/1/23	265,532	4.800%				
			9/1/2024/28	265,532	4.875%	4,032,378			4,032,378

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2009	Increased/ Refunding	Decreased	Balance Dec. 31, 2010
			Outstanding	December 31, 2010					
			Date	Amount					
General Obligation Bonds of 2004	3/1/04	61,680,686	9/1/12	1,251,474	4.500%				
			9/1/13	1,128,164	3.000%				
			9/1/14	1,255,614	4.500%				
			9/1/15	1,524,674	3.250%				
			9/1/16	1,595,479	5.000%				
			9/1/17	1,680,446	5.000%				
			9/1/18	1,760,692	4.750%				
			9/1/19	3,025,746	4.750%				
			9/1/20	3,167,357	4.500%				
			9/1/21	3,318,408	4.500%				
			9/1/22	3,478,900	4.500%				
			9/1/23	3,639,392	4.500%				
			9/1/24	3,814,045	4.500%				
			9/1/25	3,993,418	4.375%				
			9/1/26	4,177,512	4.375%				
			9/1/27	4,366,326	4.375%				
			9/1/28	4,564,581	4.375%				
			9/1/29	4,772,277	4.375%				
			9/1/30	4,989,413	4.375%	57,503,916			57,503,916
General Obligation Bonds of 2005	12/8/05	4,969,426	3/1/11	716,831	4.000%				
			3/1/12	802,016	5.000%				
			3/1/13	995,184	5.000%				
			3/1/14	1,161,456	5.000%	4,334,911		659,424	3,675,487
General Obligation Bonds of 2007	11/26/07	5,083,733	11/1/12	269,876	4.125%				
			11/1/13	338,489	4.125%				
			11/1/14	388,804	4.125%				
			11/1/15	397,953	4.125%				
			11/1/16	397,953	4.125%				
			11/1/17	402,527	4.125%				
			11/1/18	402,527	4.125%				

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2009	Increased/ Refunding	Decreased	Balance Dec. 31, 2010
			Outstanding	December 31, 2010					
			Date	Amount					
			11/1/19	407,101	4.125%				
			11/1/20	407,101	4.250%				
			11/1/21	411,675	4.250%				
			11/1/22	408,931	4.250%	4,232,937			4,232,937
Refunding Bonds of 2008	9/1/08	5,918,380	9/1/11	250,120	3.820%				
			9/1/12	250,120	3.820%				
			9/1/13	287,300	3.820%				
			9/1/14	226,460	3.820%				
			9/1/15	1,037,660	3.820%				
			9/1/16	1,081,600	3.820%				
			9/1/17	1,125,540	3.820%				
			9/1/18	1,176,240	3.820%	5,678,400		243,360	5,435,040
Golf Course	10/1/01	9,945,000	10/1/11	295,000	3.250%				
			10/1/12	315,000	3.250%				
			10/1/13	330,000	3.250%				
			10/1/14	350,000	3.250%				
			10/1/15	370,000	3.250%				
			10/1/16	390,000	3.250%				
			10/1/17	410,000	3.250%				
			10/1/18	435,000	3.250%				
			10/1/19	455,000	3.250%				
			10/1/20	485,000	3.250%				
			10/1/21	510,000	3.250%				
			10/1/22	540,000	3.250%				
			10/1/23	570,000	3.250%				
			10/1/24	600,000	3.250%				
			10/1/25	635,000	3.250%				
			10/1/26	670,000	3.250%				
			10/1/27	710,000	3.250%	8,350,000		280,000	8,070,000

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2009	Increased/Refunding	Decreased	Balance Dec. 31, 2010
			Outstanding	December 31, 2010					
			Date	Amount					
Refunding Bonds Series A of 2009	7/1/09	8,295,000				8,295,000	(8,295,000)		
Refunding Bonds Series B of 2009	9/16/09	1,995,000	9/1/12	205,000	5.73%				
			9/1/13	215,000	5.73%				
			9/1/14	225,000	5.73%				
			9/1/15	240,000	5.73%				
			9/1/16	255,000	5.73%				
			9/1/17	270,000	5.73%				
			9/1/18	285,000	5.73%				
			9/1/19	300,000	5.73%	1,995,000			1,995,000
Refunding Bonds Series C of 2009	9/16/09	3,420,000	9/1/12	315,000	8.31%				
			9/1/13	345,000	8.31%				
			9/1/14	375,000	8.31%				
			9/1/15	405,000	8.31%				
			9/1/16	435,000	8.31%				
			9/1/17	475,000	8.31%				
			9/1/18	515,000	8.31%				
			9/1/19	555,000	8.31%	3,420,000			3,420,000
Refunding Bonds of 2010	9/15/10	8,385,000	9/1/12	960,000	2.000%				
			9/1/13	975,000	3.000%				
			9/1/14	1,010,000	3.000%				
			9/1/15	1,040,000	2.000%				
			9/1/16	1,055,000	2.125%				
			9/1/17	1,080,000	2.847%				
			9/1/18	1,110,000	4.000%				
			9/1/19	1,155,000	3.000%		8,385,000		8,385,000
						100,542,917	90,000	1,182,784	99,450,133
					Ref.	C	C-5	C-5	C

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	Authorized	Issued	Canceled	Balance Dec. 31, 2010
2004-13	Acquisition, Construction and Installation of Various Capital Improvements to the RiverWinds Redevelopment Project	38,000			38,000	
2008-9	Acquisition, Construction, Repair and Installation of Various Capital Improvements	940,946		940,946		
2009-7	Refunding Bond Issuance Costs	335,000				335,000
2009-8	Tax Appeal Settlement	205,000				205,000
2009-13	Acquisition, Construction, Repair and Installation of Various Capital Improvements	147,250		147,250		
2010-8	Refunding Bond Issuance Costs		255,000	90,000		165,000
		<u>1,666,196</u>	<u>255,000</u>	<u>1,178,196</u>	<u>38,000</u>	<u>705,000</u>
				C-10:C-14	C-6	

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2009	C	672,508
Increased by:		
Charges to Improvement Authorizations	C-9	39,772
		<hr/> 712,280
Decreased by:		
Disbursements		667,211
		<hr/> 45,069
Balance December 31, 2010	C	<hr/> <hr/> 45,069

SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE

<u>Purpose</u>	<u>Lease Number</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
			<u>Principal</u>	<u>Interest</u>				
Various Capital Improvements	Series 1996A	15 Years	499,061.33	142,246.21	Various	9,078	4,428	4,650
Various Capital Improvements	Series 1996B	15 Years	2,737,214.80	796,543.86	Various	38,837	18,945	19,892
Various Capital Improvements	Series 1997	15 Years	1,120,500.00	353,501.22	Various	62,304	18,497	43,807
						<u>110,219</u>	<u>41,870</u>	<u>68,349</u>
					Ref.	C		C

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>Purpose</u>	<u>Ordinance Number</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2010</u>
Acquisition, Construction, Repair and Installation of Various Capital Improvements	2008-9	4/28/2010	4/28/2010	4/27/2011	2.00%	940,946	940,946
Acquisition, Construction, Repair and Installation of Various Capital Improvements	2009-13	4/28/2010	4/28/2010	4/27/2011	2.00%	147,250	147,250
						<u>1,088,196</u>	<u>1,088,196</u>
					Ref.	C-2	C

WATER & SEWER UTILITY FUND

SCHEDULE OF WATER & SEWER UTILITY FUND CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>	<u>Assessment Trust</u>
Balance December 31, 2009	D	<u>400,694</u>	<u>46,323</u>	<u>5,333</u>
Increased by:				
Consumer Accounts Receivable	D-10	11,133,123		
Miscellaneous Revenues		795,005	613	
Loan Receivable	D-16		1,501,322	
Utility Rent Overpayments	D-19	19,019		
Due Current Fund		397,229		
Due from General Capital			380,960	
Due from Assessment Trust		5,343		
Due from Grant Fund			660,001	
Due Utility Capital		1,648		
		<u>12,351,367</u>	<u>2,542,896</u>	
		<u>12,752,061</u>	<u>2,589,219</u>	<u>5,333</u>
Decreased by:				
2010 Budget Appropriations	D-5	4,010,821		
Due General Capital			660,449	
Due Utility Operating Fund			1,648	5,333
Due Current Fund		5,071,083	1,878,073	
Due Utility Capital Fund		440		
		<u>9,082,344</u>	<u>2,540,170</u>	<u>5,333</u>
Balance December 31, 2010	D	<u><u>3,669,717</u></u>	<u><u>49,049</u></u>	

EXHIBIT D-7

SCHEDULE OF WATER & SEWER UTILITY FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	D-6	3,669,717	49,049
Increased by:			
Cash Receipts Record		3,066,560	96
		<u>6,736,277</u>	<u>49,145</u>
Decreased by:			
Cash Disbursements Record		5,878,892	
Balance April 29, 2011	D-7	<u>857,385</u>	<u>49,145</u>

Cash Reconciliation - April 29, 2011

Balance per Statement			
The Bank			437
Columbia Bank		811,014	48,708
Add: Deposit in Transit		49,909	
Less: Outstanding Checks		<u>3,538</u>	<u> </u>
Balance April 29, 2011	D-7	<u>857,385</u>	<u>49,145</u>

ANALYSIS OF WATER & SEWER UTILITY CAPITAL FUND CASH

	Ordinance Number	Balance Dec. 31, 2009	Receipts		Disbursements		Transfers To/(From)	Balance Dec. 31, 2010
			Loan/BAN	Miscellaneous	Improvement Authorization	Miscellaneous		
Fund Balance		3,173						3,173
Capital Improvement Fund		42,723						42,723
Due to General Capital Fund		660,001		380,960		660,001	(531,504)	(150,544)
Down Payment on Improvements		96,250						96,250
Due Current Fund		1,940,322				1,878,073	196,519	258,768
Due Water and Sewer Utility Fund		380,960		613		1,648	1	379,926
Due from Grant Fund		(660,001)		660,001				
Reserve for Accrued Interest		1,475						1,475
Improvement Authorizations:								
Water Main Replacement	1993-14	(18,060)						(18,060)
Various Improvements To and For The Township Water/Sewer Utility and General Improvements	2003-09	(701,584)					701,584	
Various Improvements To and For The Township Sewer Utility and General Improvements	2006-18	(1,733,289)	1,501,322		447		(366,600)	(599,014)
Bond Ordinance - Costs of Issuance	2007	6,813						6,813
Bond Ordinance - Costs of Issuance	2008	27,540						27,540
		<u>46,323</u>	<u>1,501,322</u>	<u>1,041,574</u>	<u>447</u>	<u>2,539,722</u>		<u>49,049</u>
Ref.		D	D-16	D-6				D

WATER & SEWER UTILITY ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2009	Decreased
Fund Balance	4,047	4,047
Due to Water and Sewer Operating	422	422
Due to Current Fund	(1,515)	(1,515)
Assessment Overpayment	87	87
Due to General Capital Fund	2,292	2,292
	<u>5,333</u>	<u>5,333</u>
	D	D-6

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>		
Balance December 31, 2009	D		1,446,799
Increased by:			
Utility Rents Levied			11,536,833
			<hr/> 12,983,632
Decreased by:			
Collections	D-6	11,133,123	
Overpayments Applied	D-19	13,227	
Canceled		3,746	
		<hr/>	11,150,096
Balance December 31, 2010	D		<hr/> <hr/> 1,833,536

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>Ordinance</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>
353	Mantua Terrace	9/24/69	10	3/1/70-79	3,052	3,052
	Water Improvement of Sanitary System	3/3/77	10	1977-1986	11,906	11,906
					<u>14,958</u>	<u>14,958</u>
				Ref.	D	

EXHIBIT D-12SCHEDULE OF ASSESSMENT LIENS

<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>
Improvements to Sanitary Sewer System	5,100	5,100
Improvements to Water System	1,940	1,940
	<u>7,040</u>	<u>7,040</u>
Ref.	D	

EXHIBIT D-13SCHEDULE OF DEFERRED CHARGES

	<u>Balance Dec. 31, 2009</u>	<u>2010 Budget</u>
Overexpenditure of Appropriation	10,797	10,797
Operating Deficit	276,845	276,845
	<u>287,642</u>	<u>287,642</u>
	D	D-5

SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2009	Additions	Balance Dec. 31, 2010
Wells	17,356		17,356
Pumping and Storage Facilities	194,841		194,841
Land for Administration Building	9,414		9,414
Distribution Mains and Accessories	11,423,068		11,423,068
Purchased of Colonial Manor Water Company and Attendant Improvements	171,691		171,691
Construction of New Wells	839,809		839,809
Purchase of Greenfield Water Company and Attendant Improvements	786,159		786,159
Improvements to Water Supply and Distribution System	22,068,428	15,282,025	37,350,453
Improvements along Riverfront	1,997,720		1,997,720
Meters and Fittings	844,711	6,960	851,671
Sewer System	3,910,248		3,910,248
Office Machinery and Equipment	89,128	125,000	214,128
Miscellaneous	496,569		496,569
	<u>42,849,142</u>	<u>15,413,985</u>	<u>58,263,127</u>
Ref.	D		D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Ordinance</u>		<u>Balance</u>	<u>Completed</u>	<u>Canceled</u>	<u>Balance</u>
		<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2009</u>			<u>Dec. 31, 2010</u>
18-01	Various Improvements to and for the Township's Water/Sewer Utility and General Improvements	06/05/03	8,400,000	16,025,080	15,177,562	711,584	135,934
11-05	Bond Ordinance - Costs of Issuance	11/26/07	6,813	6,813			6,813
3-06	Bond Ordinance - Costs of Issuance	9/2/08	27,540	27,540			27,540
				16,059,433	15,177,562	711,584	170,287
			Ref.	D			D

SCHEDULE OF NEW JERSEY WASTEWATER LOAN PROCEEDS RECEIVABLE

Balance December 31, 2009	<u>Ref.</u> D		2,202,905
Decreased by:			
Cash Receipts	D-6	1,501,322	
Canceled		701,583	
		<hr/>	<hr/>
			2,202,905

SCHEDULE OF 2009 APPROPRIATION RESERVES

	Balance Dec. 31, 2009	Paid or Charged	Balance Lapsed
Operating:			
Salaries and Wages	45,157		45,157
Other Expenses	96,205	95,205	1,000
Statutory Expenditures:			
Social Security	7,704		7,704
	<u>149,066</u>	<u>95,205</u>	<u>53,861</u>
Ref.	D		D-1

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	<u>Operating Fund</u>
Balance December 31, 2009	D	<u>217,906</u>
Increased by:		
Charges to 2010 Appropriations	D-5	<u>130,572</u>
		<u>348,478</u>
Decreased by:		
Canceled	D-1	<u>217,906</u>
Balance December 31, 2010	D	<u><u>130,572</u></u>

SCHEDULE OF WATER & SEWER UTILITY OVERPAYMENTS

Balance December 31, 2009	<u>Ref.</u> D	13,227
Increased by:		
Utility Overpayments in 2010	D-6	19,019
		<hr/> 32,246
Decreased by:		
Overpayments Applied to Consumer Accounts Receivable	D-10	13,227
		<hr/> 13,227
Balance December 31, 2010	D	<hr/> <hr/> 19,019

SCHEDULE OF RESERVES FOR WATER & SEWER UTILITY
ASSESSMENTS AND LIENS

<u>Ordinance</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>
343	Mantua Terrace - Water	3,052	3,052
343	Improvement to Sanitary Sewer System	11,905	11,905
	Improvement to Sanitary Sewer System	5,100	5,100
	Improvement to Water System	1,940	1,940
		<u>21,997</u>	<u>21,997</u>
	Ref.	D	

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	D	<u>42,723</u>
Balance December 31, 2010	D	<u>42,723</u>

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

Balance December 31, 2009	<u>Ref.</u> D		467,560
Increased by:			
Budget Appropriation for:			
Interest on Bonds	D-5	195,715	
Interest on Loans	D-5	226,391	
		<hr/>	422,106
			<hr/>
			889,666
Decreased by:			
Interest Paid			467,560
			<hr/>
Balance December 31, 2010	D		<u>422,106</u>

Analysis of Accrued Interest December 31, 2010

Principal Outstanding Dec. 31, 2010	Interest Rate	From	To	Period	Amount
6,596,131	4.500%	9/1/10	12/31/10	4 Months	98,942
3,764,577	2.500%	9/1/10	12/31/10	4 Months	31,371
3,939,512	3.500%	9/1/10	12/31/10	4 Months	45,961
415,355	4.125%	11/1/10	12/31/10	2 Months	2,856
2,604,960	3.820%	11/1/10	12/31/10	2 Months	16,585
<hr/>					<hr/>
17,320,535					195,715
<hr/>					<hr/>
1,069,969	5.000%	8/1/09	12/31/09	5 Months	22,291
3,291,805	5.000%	8/1/09	12/31/09	5 Months	68,579
491,880	3.090%	8/1/09	12/31/09	5 Months	6,333
730,058	5.000%	8/1/09	12/31/09	5 Months	15,210
5,470,940	5.000%	8/1/09	12/31/09	5 Months	113,978
<hr/>					<hr/>
11,054,652					<u>226,391</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance December 31, 2009	<u>Ref.</u> D		26,730,289
Increased by:			
Serial Bonds Paid by Operating Budget	D-25	1,394,252	
Gloucester County Improvement Authority -			
Leases Paid by Operating Budget	D-27	137,130	
NJ Wastewater Loans Paid by Operating Budget	D-28	766,935	
Capital Outlay	D-14	<u>131,960</u>	
			<u>2,430,277</u>
Balance December 31, 2010	D		<u><u>29,160,566</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2009		Reclassify to General Capital	Canceled	Balance Dec. 31, 2010
		Date	Amount	Funded	Unfunded			Funded
2006-17	Various Improvements to and for the Township Water/Sewer Utility and General Improvements	7/13/06	821,631	502,981	10,000	334,538	711,584	135,934
2007	Bond Ordinance - Costs of Issuance	11/26/07	6,813	6,813				6,813
2008	Bond Ordinance - Costs of Issuance	9/1/08	27,540	27,540				27,540
				537,334	10,000	334,538	711,584	170,287
			Ref.	D	D			D

SCHEDULE OF WATER & SEWER UTILITY SERIAL BONDS PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Water and Sewer Bonds of 2000	9/1/2000	3,298,720				38,032	38,032	
Water and Sewer Bonds of 2003	9/1/2003	8,219,123	9/1/2011	268,884	4.500%			
			9/1/2012	278,573	4.500%			
			9/1/2013	290,685	4.500%			
			9/1/2014	302,797	4.500%			
			9/1/2015	317,331	4.500%			
			9/1/2016	329,443	4.500%			
			9/1/2017	346,400	4.500%			
			9/1/2018	360,934	4.500%			
			9/1/2019	377,891	4.500%			
			9/1/2020	394,847	4.625%			
			9/1/2021	411,804	4.750%			
			9/1/2022	416,649	4.750%			
			9/1/2023	416,649	4.800%			
			9/1/2024	416,649	4.875%			
			9/1/2025	416,649	4.875%			
			9/1/2026	416,649	4.875%			
			9/1/2027	416,649	4.875%			
			9/1/2028	416,649	4.875%	6,855,325	259,194	6,596,131
Water and Sewer Bonds of 2004	3/1/2004	4,734,314	9/1/2011	213,493	4.50%			
			9/1/2012	218,526	3.00%			
			9/1/2013	66,836	4.50%			
			9/1/2014	74,386	3.25%			
			9/1/2015	90,326	5.00%			
			9/1/2016	94,521	5.00%			
			9/1/2017	99,554	4.75%			

SCHEDULE OF WATER & SEWER UTILITY SERIAL BONDS PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
			9/1/2018	104,308	4.75%			
			9/1/2019	179,254	4.50%			
			9/1/2020	187,643	4.50%			
			9/1/2021	196,592	4.50%			
			9/1/2022	206,100	4.50%			
			9/1/2023	215,608	4.50%			
			9/1/2024	225,955	4.50%			
			9/1/2025	236,582	4.375%			
			9/1/2026	247,488	4.375%			
			9/1/2027	258,674	4.375%			
			9/1/2028	270,419	4.375%			
			9/1/2029	282,723	4.375%			
			9/1/2030	295,587	4.375%	3,934,798	170,221	3,764,577
Water and Sewer Bonds of 2005	12/8/2005	5,800,574	3/1/2011	848,169	4.00%			
			3/1/2012	837,984	5.00%			
			3/1/2013	1,039,816	5.00%			
			3/1/2014	1,213,544	5.00%	4,730,089	790,577	3,939,512
Water and Sewer Bonds of 2007	11/26/07	473,267	11/1/11	21,291	4.125%			
			11/1/12	25,124	4.125%			
			11/1/13	31,511	4.125%			
			11/1/14	36,196	4.125%			
			11/1/15	37,047	4.125%			
			11/1/16	37,047	4.125%			
			11/1/17	37,473	4.125%			
			11/1/18	37,473	4.125%			
			11/1/19	37,899	4.125%			
			11/1/20	37,899	4.250%			
			11/1/21	38,325	4.250%			
			11/1/22	38,069	4.250%	434,943	19,588	415,355

SCHEDULE OF WATER & SEWER UTILITY SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2009	Decreased	Balance Dec. 31, 2010
			Outstanding	December 31, 2010				
			Date	Amount				
Refunding Bonds of 2008	09/01/08	2,836,620	9/1/2011/12	119,880	3.820%			
			9/1/13	137,700	3.820%			
			9/1/14	108,540	3.820%			
			9/1/15	497,340	3.820%			
			9/1/16	518,400	3.820%			
			9/1/17	539,460	3.820%			
			9/1/18	563,760	3.820%			
						2,721,600	116,640	2,604,960
						<u>18,714,787</u>	<u>1,394,252</u>	<u>17,320,535</u>
					Ref.	D	D-23	D

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2010</u>
1995-19	Water Main Replacement	18,060		18,060
2006-17	Various Improvements to Water Utility	10,000	10,000	
2006-18	Improvements to Sanitary Sewer Utility	734,949		734,949
		763,009	10,000	753,009

SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE

<u>Purpose</u>	<u>Lease Number</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
			<u>Principal</u>	<u>Interest</u>				
Various Capital Improvements	Series 1996	15 Years	1,585,724	714,019	Various	280,085	136,627	143,458
Various Capital Improvements	Series 1997	15 Years	30,500	9,623	Various	1,696	503	1,193
						<u>281,781</u>	<u>137,130</u>	<u>144,651</u>
					Ref.	D	D-23	D

SCHEDULE OF NEW JERSEY WASTEWATER LOANS PAYABLE

	<u>Ref.</u>		
Balance December 31, 2009	D		12,523,171
Decreased by:			
Payments	D-23	766,935	
Canceled		<u>701,583</u>	
			<u>1,468,518</u>
Balance December 31, 2010	D		<u><u>11,054,653</u></u>

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

GENERAL COMMENTS

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

N.J.S.A. 40A:11-4 states "Every contract or agreement awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

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

Reconstruction of various streets in the Township
Purchase of one F-350 Chassis/Utility Truck
Purchase of one (1) 2010 Chassis /Cab with 5-7 Yard Dump Body

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11.5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our examination of expenditures did reveal individual payments, contracts or agreements in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

N.J.S.A. 40A:11-6.1 requires that at least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on February 5, 2009, adopted the following resolution authorizing interest to be charged on delinquent taxes:

Collection of Interest on Delinquent Taxes and Assessments (Continued)

WHEREAS, R.S. 54:4-67, permits the governing body of each municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes or assessments as provided by law;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of West Deptford, Gloucester County, State of New Jersey that property taxes shall be due and payable quarterly on February 1st, May 1st, August 1st and November 1st of each year with a ten-day grace period, after which dates, if unpaid shall become delinquent, with interest charged as set forth below and reverting back to the due date on any quarterly installment of taxes.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of West Deptford, Gloucester County, State of New Jersey, hereby fix the rate of interest at 8% per annum on the first \$1,500 of delinquency, and 18% per annum on any amount in excess of \$1,500.

BE IT FURTHER RESOLVED that a 6% year-end penalty be assessed on the last day of the fiscal year on delinquent accounts when in excess of \$10,000.00.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 15, 2010, and was not complete.

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

<u>Year</u>	<u>Number of Liens</u>
2010	86
2009	86
2008	82

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

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services. A separate report will be rendered if any irregularities develop after the date of the audit.

OTHER COMMENTS

Chief Financial Officer/Treasurer

The following exceptions were found in the records maintained by the Chief Financial Officer/Treasurer:

A general ledger has not been sufficiently maintained as required by N.J.A.C. 5:30-5.7. The general ledger is the official permanent financial record of the Township, which provides a summary of all financial transactions as they have been recorded in the books of original entry utilizing a "double entry" accounting system.

A fixed asset accounting and reporting system was maintained as required by N.J.A.C. 5:30-5.6. Fixed assets comprise the most significant investment of the Township; therefore, it is important that these assets are properly safeguarded. A system for maintaining and verifying fixed assets can provide these safeguards as well as provide valuable management information.

Numerous interfunds existed on the balance sheets of the various funds at year-end.

Tax Collector

The following item was noted in the records maintained by the Tax Collector:

There are several properties recorded in the tax arrears register that require research and follow-up for proper disposition of balances.

Corrective Action Plan

A corrective action plan for the 2009 audit was filed with the Division of Local Government Services by the Chief Financial Officer.

STATUS OF PRIOR RECOMMENDATIONS

The following findings appeared in prior reports and corrective action has not been taken.

Control Deficiencies

2009-1) Finding:
Numerous interfunds existed on the balance sheets of the various funds at year-end.

Significant Deficiencies

2009-7) Finding:
There are several properties recorded in the tax arrears register that require research and follow-up for proper disposition of balances.

Material Weaknesses

2009-11) Finding:
The general ledger has not been maintained as required by N.J.A.C. 5:30-5.7.

FINDINGS AND RECOMMENDATIONS

Deficiencies

- 2010-1) Finding:
Numerous interfunds existed on the balance sheets of the various funds at year-end.
- Recommendation:
All interfunds should be cleared prior to year end.

Significant Deficiencies

- 2010-2) Finding:
There are several properties recorded in the tax arrears register that require research and follow-up for proper disposition of balances.
- Recommendation:
The Tax Collector research the properties in the arrears register and take action to collect delinquent taxes and determine if all property subject to sale as required by N.J.S.A. 54-5 is included in the tax sale.

Material Weaknesses

- 2010-3) Finding:
The general ledger has not been sufficiently maintained as required by N.J.A.C. 5:30-5.7.
- Recommendation:
A general ledger should be sufficiently maintained as required by N.J.A.C. 5:30-5.7.

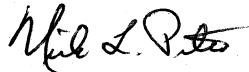
The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

We received the complete cooperation of all the officials of the Township and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

PETRONI & ASSOCIATES LLC

A handwritten signature in black ink, appearing to read "Nick L. Petroni", with a stylized flourish at the end.

Nick L. Petroni

Certified Public Accountant

Registered Municipal Accountant #252