

TOWNSHIP OF BASS RIVER

COUNTY OF BURLINGTON

REPORT OF AUDIT

FOR THE YEAR 2010

TOWNSHIP OF BASS RIVER

TABLE OF CONTENTS

<u>Part I</u>	<u>Page</u>
Independent Auditor's Report .....	1-2
Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	3-4
 <u>Current Fund</u>	
Comparative Balance Sheet .....	A
Comparative Statement of Operations and Change in Fund Balance .....	A-1
Statement of Revenues .....	A-2
Statement of Expenditures .....	A-3
 <u>Trust Fund</u>	
Comparative Balance Sheet .....	B
 <u>General Capital Fund</u>	
Comparative Balance Sheet .....	C
 <u>General Fixed Assets Account Group</u>	
Statement of General Fixed Assets .....	D
	<u>Page</u>
Notes to Financial Statements .....	5-9
Schedule of Expenditures of Federal Financial Assistance .....	Schedule A
Schedule of Expenditures of State Financial Assistance .....	Schedule B

TOWNSHIP OF BASS RIVER

TABLE OF CONTENTS, continued

<u>Supplementary Data</u>	<u>Exhibit</u>
<u>Current Fund</u>	
Statement of: Cash .....	A-4
Cash & Reconciliation .....	A-4a
Taxes Receivable & Analysis of Property Tax Levy .....	A-5
Tax Title Liens Receivable .....	A-6
Revenue Accounts Receivable .....	A-7
2009 Appropriation Reserves .....	A-8
Emergency Authorizations per N.J.S. 40A:4-53 .....	A-8a
Prepaid Taxes .....	A-9
Tax Overpayments .....	A-10
Due State for Exemptions .....	A-11
Due County for Added Tax .....	A-12
Local District School Tax .....	A-13
Regional School Tax .....	A-14
Grants Receivable (Federal & State Grant Fund) .....	A-15
Appropriated Reserves (Federal & State Grant Fund) .....	A-16
Unappropriated Reserves (Federal & State Grant Fund) .....	A-17
 <u>Trust Fund</u>	
Statement of: Trust Cash – Receipts & Disbursements .....	B-1
Trust Cash & Reconciliation .....	B-2
Reserve for Dog Fund Expenditures .....	B-3
Due To Current Fund (Dog License Fund) .....	B-4
Due To Current Fund (Assessment Fund) .....	B-5
Unemployment Fund Reserve .....	B-6
Due To Current Fund (Trust-Other Fund) .....	B-7
Assessments Receivable .....	B-8
Reserve for Assessments .....	B-9

TOWNSHIP OF BASS RIVER

TABLE OF CONTENTS, continued

General Capital Fund

Statement of:	Capital Cash.....	C-1
	Capital Cash & Reconciliation.....	C-2
	Analysis of Capital Cash .....	C-3
	Deferred Charges to Future Taxation – Funded .....	C-4
	Deferred Charges to Future Taxation – Unfunded .....	C-4a
	Improvement Authorizations .....	C-5
	Due To Current Fund .....	C-6
	Capital Improvement Fund.....	C-7
	Bonds Anticipation Notes .....	C-8
	Bonds & Notes Authorized and Unissued .....	C-9

Other Supplementary Data

	<u>Page</u>
Comparative Schedule of Tax Rate Information.....	10
Comparison of Tax Levies & Collection Currently .....	10
Delinquent Taxes & Tax Title Liens .....	11
Property Acquired by Tax Title Lien Liquidation .....	11
Comparative Schedule of Fund Balance .....	11
Comparative Statement of Operations & Change in Fund Balance – Current Fund .....	12
Officials in Office & Surety Bonds .....	13

Part II

General Comments & Recommendations.....	14-15
---	-------

TOWNSHIP OF BASS RIVER

PART I

REPORT OF EXAMINATION OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2010

# GROSS & COMPANY, LLC.

Certified Public Accountants  
Registered Municipal Accountant  
Public School Accountant

Michael P. Gross CPA, RMA, PSA

---

Phone: 609/ 494-2197  
Fax: 609/ 494-7054

P.O. Box 508  
105 East 16<sup>th</sup> Street  
Ship Bottom, NJ 08008

Joseph J. Gross CPA, RMA (Deceased)

## Independent Auditor's Report

Township of Bass River  
New Gretna, NJ 08224

I have audited the accompanying financial statements of the various funds of the Township of Bass River, State of New Jersey (the Township), as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the Township's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinions.

As described in Note 1, the Township of Bass River 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 a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In my opinion, because of the Township of Bass River's policy to prepare 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 various funds of the Township of Bass River, State of New Jersey, as of December 31, 2010 or the results of its operations or cash flows for the year then ended.

However, in my opinion, the financial statements present fairly, in all material respects, the financial position of the various funds of the Township of Bass River, State of New Jersey as of December 31, 2010, and the results of its operations and the changes in fund balance of the individual funds for the year then ended and the revenues, expenditures and fund balance for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, I have also issued my report, dated August 5, 2011, on my consideration of the Township of Bass River's, State of New Jersey, internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements, and other matters. The purpose of that report is to describe the scope of my 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 considered in assessing the results of my audit.

My audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis, and are not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



MICHAEL P. GROSS  
Certified Public Accountant (No. CC025466)  
Registered Municipal Accountant (No. 20CR000535)

August 5, 2011

# GROSS & COMPANY, LLC.

Certified Public Accountants  
Registered Municipal Accountant  
Public School Accountant

Michael P. Gross CPA, RMA, PSA

Phone: 609/ 494-2197

Fax: 609/ 494-7054

P.O. Box 508  
105 East 16<sup>th</sup> Street  
Ship Bottom, NJ 08008

Joseph J. Gross CPA, RMA (Deceased)

## 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*

Township of Bass River  
New Gretna, New Jersey 08224

I have audited the financial statements of the Township of Bass River, State of New Jersey, as of and for the year ended December 31, 2010 and have issued my report thereon dated August 5, 2011. My report disclosed that, as described in Note 1 to the financial statements, the Township of Bass River 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 a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. I conducted my 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 my audit, I considered the Township of Bass River's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Bass River's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Township of Bass River'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 combination of deficiencies, in internal control, such 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.

My 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. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Bass River's financial statements are free of material misstatement, I 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 my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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



MICHAEL P. GROSS  
Certified Public Accountant (No. CC025466)  
Registered Municipal Accountant (No. 20CR000535)

August 5, 2011

CURRENT FUND  
COMPARATIVE BALANCE SHEETS

<u>Assets</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Cash	A-4	\$ 1,381,153.17	\$ 1,174,668.60
Change Fund		50.00	50.00
Investment-Bond Anticipation Note	C-8	232,250.00	232,250.00
		<u>1,613,453.17</u>	<u>1,406,968.60</u>
Receivables with Full Reserves:			
Taxes Receivable	A-5	162,799.17	173,480.64
Tax Title Liens Receivable	A-6	449,470.69	417,188.65
Property Acquired for Taxes - Assessed Value		584,100.00	584,100.00
Revenue Accounts Receivable	A-7	11,135.35	12,034.56
Due from Dog License Fund	B	262.25	260.38
Due from Payroll Account		6,686.94	6,686.94
Due from Trust Other Fund	B	6,731.70	8,917.94
Due from Capital Fund	C	5,008.10	8,105.15
Due from Federal & State Grant Fund	A	87,269.53	421,174.06
Due from Trust Assessment Fund	B	5,027.50	7,046.70
		<u>1,318,491.23</u>	<u>1,638,995.02</u>
Deferred Charges:			
Emergency Authorizations-5 years	A-8a	15,000.00	42,600.00
		<u>15,000.00</u>	<u>42,600.00</u>
		<u>2,946,944.40</u>	<u>3,088,563.62</u>
Federal & State Grant Fund:			
Grants Receivable	A-15	459,676.79	670,084.97
		<u>459,676.79</u>	<u>670,084.97</u>
		<u>\$ 3,406,621.19</u>	<u>\$ 3,758,648.59</u>

CURRENT FUND  
COMPARATIVE BALANCE SHEETS

<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>
Liabilities:			
Appropriation Reserves	A-3&A-8	\$ 96,345.79	\$ 155,497.72
Encumbrances Payable	A-3	9,867.63	32,898.14
Due State for Exemptions	A-11	1,687.44	1,693.68
Prepaid Taxes	A-9	32,883.56	37,609.61
Tax Overpayments	A-10	13,420.20	10,888.37
Due County for Added Taxes	A-12	3,914.69	37.06
Local District School Tax Payable	A-13	395,388.68	374,154.16
Regional School Tax Payable	A-14	36,801.40	5,298.96
Reserve for FY 2010 In Lieu of Tax	A	-	240,736.66
Reserve for FY 2011 In Lieu of Tax	A-4	160,491.00	-
Reserve for Outside Lien Redemptions	A-4	17,928.20	17,928.20
Reserve for Master Plan	A-8	24,871.47	24,871.47
		<u>793,600.06</u>	<u>901,614.03</u>
Reserve for Receivables		1,318,491.23	1,638,995.02
Fund Balance	A-1	834,853.11	547,954.57
		<u>2,946,944.40</u>	<u>3,088,563.62</u>
Federal & State Grant Fund:			
Due to Current Fund	A	87,269.53	421,174.06
Unappropriated Reserves	A-17	11,081.00	503.32
Appropriated Reserves	A-16	361,326.26	248,407.59
		<u>459,676.79</u>	<u>670,084.97</u>
		<u>\$ 3,406,621.19</u>	<u>\$ 3,758,648.59</u>

COMPARATIVE STATEMENT OF CURRENT FUND OPERATIONS  
AND CHANGE IN FUND BALANCE

<u>Revenue &amp; Other Income</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized	A-2	\$ 500,000.00	\$ 575,000.00
Miscellaneous Revenue Anticipated	A-2	992,163.96	894,260.74
Receipts from Delinquent Taxes	A-2	141,808.42	123,054.24
Receipts from Current Taxes	A-2	2,811,748.28	2,535,748.24
Non-Budget Revenue	A-2	100,139.70	105,037.97
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-8	152,154.74	86,847.01
Reserve for Sewer Hookups Realized	A	-	9,010.00
Reserve for Due from Dog Fund Realized	B	-	1,139.62
Reserve for Due from Capital Fund Realized	A	3,097.05	47,048.49
Reserve for Due from Federal & State Grant Fund	A	333,904.53	7,814.47
Reserve for Due from Trust Other Fund Realized	B	2,186.24	-
Reserve for Due from Trust Assessment Fund Realized	A	2,019.20	21,874.98
Total Income		<u>5,039,222.12</u>	<u>4,406,835.76</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operations:			
Salaries & Wages	A-3	405,210.00	408,860.00
Other Expenses	A-3	656,636.03	627,158.17
Capital Improvements	A-3	205,000.00	20,000.00
Deferred Charges & Statutory Expenditures	A-3	92,570.00	216,571.39
County Taxes	A-5	763,772.45	699,948.62
County Share of Added Taxes	A-12	3,914.69	37.06
Local District School Tax	A-13	1,190,863.00	1,148,394.00
Regional School Tax	A-14	934,355.54	861,924.51
Reserve for Due from Dog Fund	B	1.87	-
Reserve for Due from Trust Other Fund	A	-	1,530.52
Prior Period Adjustment		-	33,283.14
Total Expenditures		<u>4,252,323.58</u>	<u>4,017,707.41</u>
Excess in Revenues		786,898.54	389,128.35
Adjustments to Income before Fund Balance:			
Expenditures included above which are by statute		-	-
Deferred Charges to Budget of Succeeding Year		-	-
Statutory Excess to Fund Balance		<u>786,898.54</u>	<u>389,128.35</u>
 <u>Fund Balance</u>			
Balance January 1	A	547,954.57	733,826.22
		<u>1,334,853.11</u>	<u>1,122,954.57</u>
Decreased by:			
Utilized as Anticipated Revenue	A-2	500,000.00	575,000.00
Balance December 31	A	<u>\$ 834,853.11</u>	<u>\$ 547,954.57</u>

## STATEMENT OF REVENUES- CURRENT FUND

	Ref.	Budget	Realized	Excess or Deficit (-)
Fund Balance Appropriated	A-1	<u>\$ 500,000.00</u>	<u>500,000.00</u>	<u>-</u>
Miscellaneous Revenues:				
Liquor License	A-7	2,000.00	5,076.40	3,076.40
Other Licenses	A-2	5,500.00	10,679.52	5,179.52
Other Fees & Permits	A-2	7,000.00	13,717.28	6,717.28
Municipal Court Fines & Costs	A-7	135,000.00	154,564.65	19,564.65
Interest & Costs on Taxes	A-4	16,401.02	29,457.36	13,056.34
DOT Suit Settlement	A-7	70,000.00	70,080.31	80.31
Energy Receipts Tax	A-7	15,245.00	15,245.00	-
Consolidated Municipal Property Tax Relief Aid	A-7	128,554.00	128,554.00	-
Garden State Trust Fund 2009 In Lieu of Taxes	A	240,736.66	240,736.66	-
Stabilization Aid - 2009	A-7	-	-	-
Utility Maintenance	A	10,000.00	9,185.00	(815.00)
Uniform Construction Code Fees	A-7	7,000.00	12,998.50	5,998.50
Assessment Services	A-7	3,000.00	6,000.00	3,000.00
Clean Communities Program	A-15	6,527.73	6,527.73	-
Alcohol Education & Rehabilitation Fund	A-15	1,206.55	1,206.55	-
Municipal Alliance on Alcoholism & Drug Abuse	A-15	8,603.00	8,603.00	-
CDBG FY 2009 Projects	A-15	79,888.00	79,888.00	-
NJ Transportation Trust Fund Authority Act				
Leektown Road	A-15	195,000.00	195,000.00	-
Rural Fire Assistance Grant	A-15	4,644.00	4,644.00	-
		<u>936,305.96</u>	<u>992,163.96</u>	<u>55,858.00</u>
Receipts from Delinquent Taxes	A-2	<u>90,000.00</u>	<u>141,808.42</u>	<u>51,808.42</u>
Property Tax for Support of Municipal Budget:				
Local Tax for Municipal Purposes		<u>82,060.00</u>	<u>166,842.60</u>	<u>84,782.60</u>
Total Budget		<u>1,608,365.96</u>	<u>1,800,814.98</u>	<u>192,449.02</u>
Non-Budgeted Revenue	A-1		<u>100,139.70</u>	
		<u>\$ 1,608,365.96</u>	<u>1,900,954.68</u>	

## STATEMENT OF REVENUES- CURRENT FUND (cont'd)

	<u>Ref.</u>		
<u>Analysis of Realized Revenue</u>			
Allocation of Current Tax Collection:			
Revenue from Collections	A-5		\$ 2,811,748.28
Allocated to School & County Taxes	A-5		<u>2,892,905.68</u>
Balance for Support of Municipal Budget			(81,157.40)
 Add: Appropriation Reserves for Uncollected Taxes	 A-3		 <u>248,000.00</u>
 Balance for Support of Municipal Budget Appropriations	 A-2		 <u><u>\$ 166,842.60</u></u>
Delinquent Taxes:			
Taxes Receivable Tax Title Liens	A-5,A-6		<u><u>\$ 141,552.66</u></u>
Other Licenses (Clerk):			
Campground	A-7	\$ 10,100.00	
Other	A-7	<u>579.52</u>	
			<u><u>\$ 10,679.52</u></u>
Other Fees & Permits:			
Clerk:			
Trailer Park Fees	A-7	\$ 13,409.28	
Assessment Searches	A-7	110.00	
Kennel Fees	A-7	13.00	
Planning Board/Variance Fees	A-7	<u>185.00</u>	
			<u><u>\$ 13,717.28</u></u>

## STATEMENT OF REVENUES- CURRENT FUND (cont'd)

Ref.Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated

Revenue Accounts Receivable:

Interest on Investments & Savings	A-7	\$ 1,922.79	
Tower Rent/Land Lease	A-7	<u>11,612.16</u>	\$ 13,534.95
T. V. Cable Franchise Fee		3,670.63	
Washington Township share of Court Costs		40,352.25	
Miscellaneous		5,202.89	
Prior Period Expense Refunds		13,039.90	
Maintenance Yard Rent		9,300.00	
In lieu of Taxes		5,000.00	
Billboard Fees		1,368.34	
Senior Citizens & Veterans Administration Fee		455.00	
U.S. Fish & Game		<u>3,199.00</u>	
	A-4		81,588.01
Interest in Dog Fund	B-4		1.87
Interest in Trust Other Fund	B-7		13.76
Interest in Assessment Fund & Bank Account	B-5		559.77
Statutory Excess Assessment Fund -Net	B-5		4,362.73
Interest on Capital Fund	C-6		78.61
	A-2		<u>\$ 100,139.70</u>

## STATEMENT OF EXPENDITURES

	<u>2010 Budget</u>	<u>Emergency Appropriation</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
<b>Department of Revenue &amp; Finance</b>						
Director's Office						
Salaries & Wages	4,210.00	-	4,210.00	4,079.00	131.00	
Administrative & Executive						
Salaries & Wages	11,000.00	-	11,000.00	10,547.89	452.11	
Other Expenses	18,000.00	-	17,000.00	16,459.98	540.02	
Financial Administration						
Salaries & Wages	29,000.00	-	27,500.00	23,806.23	3,693.77	
Other Expenses	18,000.00	-	18,000.00	16,713.91	1,286.09	
Assessment of Taxes						
Salaries & Wages	20,000.00	-	20,000.00	17,953.60	2,046.40	
Other Expenses	3,000.00	-	3,000.00	1,336.57	1,663.43	
Collection of Taxes						
Salaries & Wages	21,500.00	-	21,500.00	20,194.70	1,305.30	
Other Expenses	7,000.00	-	7,000.00	6,395.37	604.63	
Municipal Clerk						
Salaries & Wages	52,000.00	-	52,000.00	51,503.92	496.08	
Audit Services						
Other Expenses	20,000.00	-	20,000.00	20,000.00	-	
Liquidation of Tax Title Liens & Foreclosed Property						
Other Expenses	1,500.00	-	1,500.00	-	1,500.00	
Legal Services & Costs						
Other Expenses	25,000.00	-	36,800.00	36,045.00	755.00	
Engineering Services & Costs						
Other Expenses	20,000.00	-	15,200.00	10,002.88	5,197.12	
Municipal Land Use Law (NJS 40:55D-1)						
Planning Board						
Salaries & Wages	7,000.00	-	7,000.00	6,056.92	943.08	
Other Expenses	3,500.00	-	5,000.00	4,697.47	302.53	
Environmental Commission						
Salaries & Wages	1,000.00	-	1,000.00	750.00	250.00	
Other Expenses	1,000.00	-	1,000.00	59.00	941.00	

## STATEMENT OF EXPENDITURES (cont'd)

	<u>2010 Budget</u>	<u>Emergency Appropriation</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Sewer System						
Salaries & Wages	6,500.00	-	6,500.00	5,053.94	1,446.06	
Other Expenses	21,000.00	-	21,000.00	15,273.97	5,726.03	
Recreation						
Other Expenses	3,000.00	-	3,000.00	1,522.00	1,478.00	
Utility Expenses & Bulk Purchases						
Telephone	9,500.00	-	9,500.00	8,472.47	1,027.53	
Gas (Propane)	7,000.00	-	7,000.00	3,138.59	3,861.41	
Electricity	13,000.00	-	13,000.00	10,184.22	2,815.78	
Gasoline	5,000.00	-	5,000.00	3,291.78	1,708.22	
Telecommunication	500.00	-	500.00	500.00	-	
Insurance						
General Liability	25,000.00	-	20,550.00	20,404.00	146.00	
Workers Compensation	35,000.00	-	35,000.00	34,972.00	28.00	
<b>Department of Public Works, Parks &amp; Public Property</b>						
Director's Office						
Salaries & Wages	4,200.00	-	4,200.00	4,079.00	121.00	
Public Buildings & Grounds						
Other Expenses	14,000.00	-	14,000.00	12,770.68	1,229.32	
Streets & Roads Maintenance						
Salaries & Wages	35,000.00	-	35,000.00	34,514.50	485.50	
Other Expenses	15,000.00	-	15,000.00	14,924.01	75.99	
Street Lighting	24,000.00	-	24,000.00	17,553.51	6,446.49	
Convenience Center						
Salaries & Wages	33,000.00	-	33,000.00	27,592.41	5,407.59	
Other Expenses	115,000.00	-	115,000.00	114,939.02	60.98	
Landfill Closure Costs						
Salaries & Wages	1,000.00	-	1,000.00	-	1,000.00	
Other Expenses	11,000.00	-	11,000.00	3,514.14	7,485.86	
Mosquito & Pest Control						
Other Expenses	1,000.00	-	1,000.00	-	1,000.00	
Weed, Fill & Property Control						
Salaries & Wages	500.00	-	500.00	-	500.00	
Other Expenses	500.00	-	500.00	-	500.00	

## STATEMENT OF EXPENDITURES (cont'd)

	2010 Budget	Emergency Appropriation	Modified Budget	Paid or Charged	Reserved	Cancelled
<b>Department of Public Affairs &amp; Safety</b>						
Director's Office						
Salaries & Wages	4,700.00	-	4,700.00	4,606.00	94.00	
Fire						
Other Expenses	27,000.00	-	27,000.00	26,220.11	779.89	
EMS - First Responder	5,000.00	-	5,000.00	3,836.14	1,163.86	
First Aid Organization Contribution	13,000.00	-	13,000.00	13,000.00	-	
Municipal Prosecutor						
Other Expenses	28,000.00	-	28,000.00	27,000.00	1,000.00	
Bailiff						
Salaries & Wages	7,000.00	-	7,000.00	6,732.00	268.00	
Municipal Court						
Salaries & Wages	138,000.00	-	138,000.00	137,926.99	73.01	
Other Expenses	27,000.00	-	27,000.00	20,166.82	6,833.18	
Public Defender						
Other Expenses	7,300.00	-	7,300.00	-	7,300.00	
Board of Health						
Other Expenses	1,000.00	-	1,000.00	92.05	907.95	
Emergency Management						
Salaries & Wages	850.00	-	850.00	850.00	-	
Other Expenses	2,000.00	-	2,000.00	1,490.10	509.90	
Code Enforcement						
Salaries & Wages	4,300.00	-	4,950.00	4,217.77	732.23	
Other Expenses	750.00	-	750.00	543.55	206.45	
Dog Regulation						
Other Expenses	5,000.00	-	5,000.00	4,216.25	783.75	
<b>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</b>						
State Uniform Construction Code Official						
Salaries & Wages	26,000.00	-	22,800.00	20,974.95	1,825.05	
Other Expenses	3,000.00	-	3,000.00	1,674.32	1,325.68	
<b>Total Operations within CAPS</b>	<b>942,310.00</b>	<b>-</b>	<b>941,310.00</b>	<b>852,849.73</b>	<b>88,460.27</b>	<b>-</b>
<b>Detail:</b>						
Salaries & Wages	406,760.00	-	402,710.00	381,439.82	21,270.18	-
Other Expenses	535,550.00	-	538,600.00	471,409.91	67,190.09	-
	<u>942,310.00</u>	<u>-</u>	<u>941,310.00</u>	<u>852,849.73</u>	<u>88,460.27</u>	<u>-</u>

## STATEMENT OF EXPENDITURES (cont'd)

	2010 Budget	Emergency Appropriation	Modified Budget	Paid or Charged	Reserved	Cancelled
<b>Deferred Charges &amp; Statutory Expenditures - within CAPS:</b>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	27,470.00	-	27,470.00	27,470.00	-	
Social Security System (O.A.S.I.)	34,000.00	-	34,000.00	30,035.91	3,964.09	
Unemployment Compensation Insurance (N.J.S. A. 43:21-3 et. seq.)	2,500.00	-	3,500.00	2,258.80	1,241.20	
Total Statutory Expenditures within CAPS	<u>63,970.00</u>	<u>-</u>	<u>64,970.00</u>	<u>59,764.71</u>	<u>5,205.29</u>	<u>-</u>
<b>Total General Appropriations within CAPS</b>	<b><u>1,006,280.00</u></b>	<b><u>-</u></b>	<b><u>1,006,280.00</u></b>	<b><u>912,614.44</u></b>	<b><u>93,665.56</u></b>	<b><u>-</u></b>
<b>Operations excluded from CAPS:</b>						
Aid to Library (N.J.S.A. 40:54-35)	500.00	-	500.00	-	500.00	
Gypsy Moth Spray	500.00	-	500.00	-	500.00	
Recycling Tax (N.J.S.A. 13:1E-96.5)	3,000.00	-	3,000.00	1,947.84	1,052.16	
Interlocal Municipal Service Agreements						
Assessment Services	3,000.00	-	3,000.00	2,966.16	33.84	
Additional Appropriations Offset by Revenues						
Utility Maintenance						
Salaries & Wages	2,500.00	-	2,500.00	2,380.40	119.60	
Other Expenses	7,500.00	-	7,500.00	7,025.37	474.63	
Public & Private Programs Offset by Revenues						
Clean Communities Program	6,527.73	-	6,527.73	6,527.73	-	
CDBG FY 2009 Projects	79,888.00	-	79,888.00	79,888.00	-	
Municipal Alliance -Prevention of Alcohol & Drug Abuse	8,603.00	-	8,603.00	8,603.00	-	
Muni. Alliance -Prev. of Alcohol & Drug Abuse Local Matc	-	-	2,150.75	2,150.75	-	
Rural Fire Assistance Grant 2010	4,644.00	-	4,644.00	4,644.00	-	
Rural Fire Assistance Grant 2010 Local Match	-	-	516.00	516.00	-	
Alcohol Education & Rehabilitation Fund	1,206.55	-	1,206.55	1,206.55	-	
State & Federal Programs - Matching Funds	3,616.68	-	949.93	-	-	949.93
Total Operations excluded from CAPS	<u>121,485.96</u>	<u>-</u>	<u>121,485.96</u>	<u>117,855.80</u>	<u>2,680.23</u>	<u>949.93</u>
Detail:						
Salaries & Wages	2,500.00	-	2,500.00	2,380.40	119.60	-
Other Expenses	118,985.96	-	118,985.96	115,475.40	-	-
	<u>121,485.96</u>	<u>-</u>	<u>121,485.96</u>	<u>117,855.80</u>	<u>119.60</u>	<u>-</u>

## STATEMENT OF EXPENDITURES (cont'd)

	2010 Budget	Emergency Appropriation	Modified Budget	Paid or Charged	Reserved	Cancelled
<b>Capital Improvements excluded from CAPS:</b>						
Capital Improvement Fund	10,000.00	-	10,000.00	10,000.00	-	
NJ DOT Trust Fund Authority Act - Leektown Road	195,000.00	-	195,000.00	195,000.00	-	
<b>Total Capital Improvements excluded from CAPS</b>	<b>205,000.00</b>	<b>-</b>	<b>205,000.00</b>	<b>205,000.00</b>	<b>-</b>	<b>-</b>
<b>Deferred Charges - Municipal - excluded from CAPS</b>						
Special Emergency Authorization - 5 years (N.J.S. 40A:4-55)	27,600.00	-	27,600.00	27,600.00	-	
<b>Total Deferred Charges</b>	<b>27,600.00</b>	<b>-</b>	<b>27,600.00</b>	<b>27,600.00</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations excluded from CAPS</b>	<b>354,085.96</b>	<b>-</b>	<b>354,085.96</b>	<b>350,455.80</b>	<b>2,680.23</b>	<b>949.93</b>
Subtotal - General Appropriations	1,360,365.96	-	1,360,365.96	1,263,070.24	96,345.79	949.93
Reserve for Uncollected Taxes	248,000.00	-	248,000.00	248,000.00	-	-
<b>Total General Appropriations</b>	<b>\$ 1,608,365.96</b>	<b>-</b>	<b>1,608,365.96</b>	<b>1,511,070.24</b>	<b>96,345.79</b>	<b>949.93</b>
Adopted Budget	\$ 1,580,000.00					
Added by N.J.S. 40A:4-87	28,365.96					
	<b>\$ 1,608,365.96</b>					
		Ref.				
Deferred Charges Funded		C-6		\$ 27,600.00		
Federal & State Grants		A-16		298,536.03		
Encumbrances Payable		A		9,867.63		
Due Capital Fund		C-6		10,000.00		
Reserve for Uncollected Taxes		A-2		248,000.00		
Cash		A-4		917,066.58		
				<b>1,511,070.24</b>		

TRUST FUND  
COMPARATIVE BALANCE SHEET

<u>Assets</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Dog License Fund:			
Cash	B-1	\$ 1,107.50	\$ 798.23
Due from NJ State Department of Health		33.30	37.50
		<u>1,140.80</u>	<u>835.73</u>
Assessment Fund:			
Cash	B-1	5,027.50	7,046.70
Assessments Receivable	B-8	2,039.85	6,402.58
		<u>7,067.35</u>	<u>13,449.28</u>
Other Funds:			
Cash	B-1	47,797.76	49,168.16
Total Assets		<u>\$ 56,005.91</u>	<u>\$ 63,453.17</u>
 <u>Liabilities &amp; Reserves</u>			
Dog License Fund:			
Due Current Fund	B-1,B-4	\$ 262.25	\$ 260.38
Reserve for Dog Fund Expenditures	B-3	878.55	575.35
		<u>1,140.80</u>	<u>835.73</u>
Assessment Fund:			
Due Current Fund	B-5	5,027.50	7,046.70
Reserve for Assessments Receivable	B-10	2,039.85	6,402.58
		<u>7,067.35</u>	<u>13,449.28</u>
Other Funds:			
Unemployment Fund Reserve	B-6	2,142.70	2,133.25
Public Defender Fund		4,744.05	8,465.68
Construction Account Reserve		5,933.60	3,168.76
Cash Bonds		23,779.33	24,216.15
Landfill Closure Trust		1,494.36	1,494.36
Due Current Fund	B-7	6,731.70	8,917.94
Tax Sale Premiums		2,972.02	772.02
		<u>47,797.76</u>	<u>49,168.16</u>
Total Liabilities & Reserves		<u>\$ 56,005.91</u>	<u>\$ 63,453.17</u>

CAPITAL FUND  
COMPARATIVE BALANCE SHEET

<u>Assets</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Cash	C-1	\$ 2,185.83	\$ 3,723.03
Deferred Charges to Future Taxation:			
Funded	C-4	232,250.00	232,250.00
Unfunded	C-4a	136,498.05	163,741.98
		<u>\$ 370,933.88</u>	<u>\$ 399,715.01</u>
<u>Liabilities, Reserves &amp; Fund Balance</u>			
Reserve for Note Principal		\$ 19,000.00	\$ 19,000.00
Bond Anticipation Note	C-8	232,250.00	232,250.00
Due to Current Fund	C-6	5,008.10	8,105.15
Improvement Authorizations:			
Funded	C-5	10,048.89	18,489.04
Unfunded	C-5	-	27,243.93
Capital Improvement Fund	C-7	104,273.00	94,273.00
Fund Balance		353.89	353.89
		<u>\$ 370,933.88</u>	<u>\$ 399,715.01</u>

TOWNSHIP OF BASS RIVER  
STATEMENT OF GENERAL FIXED ASSETS

	Balance <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2008</u>
General Fixed Assets:		
Land	\$ 809,912.96	\$ 784,912.96
Buildings	221,978.49	221,508.51
Equipment	214,224.82	211,886.82
Vehicles	11,000.00	11,000.00
Fire Trucks	705,162.00	696,839.52
	<u>\$ 1,962,278.27</u>	<u>\$ 1,926,147.81</u>
Investment in General Fixed Assets	<u>\$ 1,962,278.27</u>	<u>\$ 1,926,147.81</u>

TOWNSHIP OF BASS RIVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

1. Summary of Significant Accounting Policies

A. Reporting Entity

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

B. Description of Funds

The accounting policies of the Township of Bass River 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 designated 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 Bass River accounts for its financial transactions through the following separate funds:

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

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

General Capital Fund – receipts and disbursements of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant policies in New Jersey follow a modified accrual basis of accounting is followed with minor exceptions.

TOWNSHIP OF BASS RIVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

1. Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

Revenues – are recorded as received in cash for certain amounts which are due from other governmental units. Receipts from Federal Revenue Sharing funds and other Federal and State grants are realized as revenue when anticipated in the municipal budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the municipality's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or 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 municipality'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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Foreclosed Property – Foreclosed Property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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 other funds are not offset by reserves.

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

TOWNSHIP OF BASS RIVER  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2010

1. Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

General Fixed Assets – In accordance with Technical Accounting Directive No. 85-2, 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 municipality has developed a fixed assets accounting and reporting system based on an inspection and historic cost analysis.

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

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

No depreciation has been provided for in the financial statements.

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

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

2. Long-Term Debt

Summary of Municipal Debt

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Issued</u>			
General:			
Bond & Notes	\$232,250.00	\$232,250.00	\$232,250.00
Assessment Serial Bonds	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u><b>232,250.00</b></u>	<u><b>232,250.00</b></u>	<u><b>232,250.00</b></u>
<u>Authorized but not Issued</u>			
General:			
Bonds & Notes	<u>136,498.05</u>	<u>163,741.98</u>	<u>165,932.37</u>
Net Bonds & Notes Issued and Authorized but not Issued	<u><b>\$368,748.05</b></u>	<u><b>\$395,991.38</b></u>	<u><b>\$398,182.37</b></u>

TOWNSHIP OF BASS RIVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

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 which indicates a Statutory Net Debt of .19%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 643,749.99	643,749.99	0.00
Local School District Debt	0.00	0.00	0.00
General Debt	<u>368,748.05</u>	<u>0.00</u>	<u>368,748.05</u>
	<b><u>\$ 1,012,498.04</u></b>	<b><u>643,749.99</u></b>	<b><u>368,748.05</u></b>

Net Debt \$368,748.05 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 \$195,772,800 = 0.19%.

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

3.5% Equalized Valuation Basis (Municipal)	\$ 6,782,048.00
Net Debt	<u>368,748.05</u>
Remaining Borrowing Power	<b><u>\$ 6,413,299.95</u></b>

3. Fund Balances Appropriated

Fund balances at December 31, 2010, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2011, were as follows:

Current Fund	\$ 660,000.00
--------------	---------------

4. School Taxes

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

	Local District School Tax		Regional High School Tax	
	Balance, <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2010</u>	Balance, <u>Dec. 31, 2009</u>	Balance, <u>Dec. 31, 2010</u>
Balance of Tax	\$ 574,145.16	595,379.68	5,298.96	36,801.40
Deferred	199,991.00	199,991.00	0.00	0.00
Prepaid	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Tax Payable	<b><u>\$ 374,154.16</u></b>	<b><u>395,388.68</u></b>	<b><u>5,298.96</u></b>	<b><u>36,801.40</u></b>

TOWNSHIP OF BASS RIVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

5. Pensions

Employees who are eligible for a pension plan are enrolled in one of three pensions systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The three State-administered plans are: (1) the Public Employees' Retirement System; (2) the Consolidated Police and Firemen's Pension Fund; and (3) the Police and Firemen's Retirement System. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial methods. A portion of the cost is contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$27,470.00 for 2010 and \$20,281.00 for 2009.

Township employees are also covered by the Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefit with the system's assets is not available from the State Retirement System and, therefore, is not presented.

6. Accrued Sick and Vacation Benefits (Compensated Absences)

The Township has permitted employees to accrue unused sick and vacation pay, to a limited extent, which may be paid upon retirement at an agreed upon rate. The Township policy is to pay this out of current budgets when due. It is estimated that the current cost of such unpaid compensation is not considered material, and is not included in these financial statements as a long-term liability.

TOWNSHIP OF BASS RIVER  
 Schedule of Expenditures of Federal Awards  
 Year Ended December 31, 2010

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>CFDA #</u>	<u>Pass-Through Entity ID #</u>	<u>Grant Period</u>	<u>Cash Received</u>	<u>Program Expenditures</u>
<u>U.S. Housing &amp; Urban Development</u>					
Pass-Through County of Ocean Community Development Block Grant FY09 Projects, Ash Road			1/1/10 to 12/31/10	\$ 79,888.00	\$ 79,888.00
<u>U.S. Department of the Interior</u>					
Rural Fire Assistance Grant Program			1/1/010 to 12/31/10	4,644.00	-
<u>U.S. Forest Service Grant Program</u>					
Pass-Through NJ Department of Environmental Protection Volunteer Fire Assistance Program			1/1/10 to 12/31/10	<u>4,581.00</u>	<u>-</u>
Total Federal Assistance				<u><u>\$ 89,113.00</u></u>	<u><u>\$ 79,888.00</u></u>

TOWNSHIP OF BASS RIVER  
Schedule of Expenditures of State Awards  
Year Ended December 31, 2010

<u>State Grantor/Pass-Through Grantor/Program</u>	<u>Pass-Through Entity ID#</u>	<u>State Account#</u>	<u>Grant Period</u>	<u>Cash Received</u>	<u>Program Expenditures</u>
<u>NJ Department of Transportation</u> Trust Fund Authority Act			1/1/10 to 12/31/10	411,011.18	83,115.15
<u>Department of Environmental Protection</u> Clean Communities		4900-765-178910-60	1/1/10 to 12/31/10	6,024.41	10,473.76
<u>N.J. Department of Treasury</u> Pass Through County of Ocean: Governor's Council on Alcoholism & Drug Abuse: Municipal Alliance Grant			Ocean County 1/1/10 to 12/31/10	3,000.00	1,641.45
<u>NJ Department of Environmental Protection</u> Municipal Stormwater Regulation Program			1/1/10 to 12/31/10	-	3,639.00
<u>NJ Department of Community Affairs</u> Alcohol Education & Rehabilitation Fund			1/1/10 to 12/31/10	1,206.55	4,360.00
Total State Assistance				<u>\$ 421,242.14</u>	<u>\$ 103,229.36</u>

STATEMENT OF CURRENT FUND CASH

	<u>Ref.</u>		
Balance December 31, 2009	A		<u>\$ 1,174,668.60</u>
Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	\$ 81,588.01	
Taxes Receivable	A-5	2,893,115.76	
State of NJ - Tax Exemptions	A-11	22,750.00	
Revenue Accounts Receivable	A-7	439,635.61	
Prepaid Taxes	A-9	32,883.56	
Tax Overpayments	A-10	2,596.85	
Interest & Costs on Taxes	A-2	29,457.36	
Federal & State Grants	A-15&A-17	516,855.14	
Due from Trust Assessment Fund	B-5	7,046.70	
Due from Trust Other Fund	B-7	2,200.00	
Reserve for Due from Capital Fund	C-6	1,520.88	
Reserve for Garden State Trust Fund FY 2011 In Lieu of Tax	A	160,491.00	
Contra		<u>972,018.38</u>	
Total Receipts			<u>5,162,159.25</u>
Total Receipts & Balances			<u>6,336,827.85</u>
Disbursements:			
2010 Budget Appropriations	A-3	917,066.58	
2009 Appropriation Reserves	A-8	36,241.12	
County Taxes	A-1	763,772.45	
Due County for Added Taxes	A-12	37.06	
Local District School Tax	A-13	1,169,628.48	
Regional School Tax	A-14	902,853.10	
Federal & State Grants	A-16	185,617.36	
Due Capital Fund	C-6	8,440.15	
Contra		<u>972,018.38</u>	
Total Disbursements			<u>4,955,674.68</u>
Balance December 31, 2010	A		<u>\$ 1,381,153.17</u>

STATEMENT OF CASH AND RECONCILIATION PER N.J.S. 40A:5-5

Balance December 31, 2010	\$ 1,381,153.17
Increased by Cash Receipts	<u>1,845,623.68</u>
	3,226,776.85
Decreased by Cash Disbursements	<u>2,104,541.79</u>
Balance June 30, 2011	<u><u>\$ 1,122,235.06</u></u>

Cash Reconciliation, June 30, 2011

Balance per Statement of:

Sun National Bank

Money Market Account

Add: Deposits in Transit

Less: Outstanding Checks

\$ 1,127,660.75
1,147.00
<u>(6,572.69)</u>
<u><u>\$ 1,122,235.06</u></u>



STATEMENT OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 417,188.65
Increased by:			
Interest & Costs on Taxes		\$ 230.26	
Transfers from Taxes Receivable	A-5	<u>32,051.78</u>	
			<u>32,282.04</u>
			449,470.69
Decreased by:			
Assignment of Township Liens		-	
Redeemed		<u>-</u>	
			-
Balance December 31, 2010	A		<u><u>\$ 449,470.69</u></u>

STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Accrued</u> <u>in 2010</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Clerk:				
Licenses:				
Alcoholic Beverage	\$ -	5,076.40	5,076.40	-
Campground	-	10,100.00	10,100.00	-
Other	-	579.52	579.52	-
Searches for Municipal Improvements	-	110.00	110.00	-
Trailer Park Fees	-	13,409.28	13,409.28	-
Plannin Board/Variance Fees	-	185.00	185.00	-
Kennel Fes	-	13.00	13.00	-
Municipal Court Fines & Costs	9,034.56	156,665.44	154,564.65	11,135.35
Energy Receipts Tax	-	15,245.00	15,245.00	-
DOT Suit Settlement	-	70,080.31	70,080.31	-
Utility Maintenance	-	9,185.00	9,185.00	-
Interest on Investments & Savings	-	1,922.79	1,922.79	-
Consolidated Municipal Property Tax Relief	-	128,554.00	128,554.00	-
Tower Rent and Land Lease	-	11,612.16	11,612.16	-
Assessment Services	3,000.00	3,000.00	6,000.00	-
Construction Office - Fees	-	12,998.50	12,998.50	-
	<u>\$ 12,034.56</u>	<u>438,736.40</u>	<u>439,635.61</u>	<u>11,135.35</u>
<u>Ref.</u>	A		A-4	A

## STATEMENT OF 2009 APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Expended</u>	<u>Balance</u> <u>Lapsed</u>
Administrative & Executive				
Other Expenses	1,194.12	1,194.12	1,010.74	183.38
Financial Administration				
Other Expenses	305.90	305.90	282.67	23.23
Collection of Taxes				
Other Expenses	144.97	144.97	144.97	-
Assessment of Taxes				
Other Expenses	1,246.34	1,246.34	683.57	562.77
Legal Services OE				
Other Expenses	1,338.45	5,338.45	3,362.84	1,975.61
Engineering Services				
Other Expenses	11,820.50	7,820.50	3,239.18	4,581.32
Planning Board				
Other Expenses	1,434.10	1,434.10	83.57	1,350.53
Sewer Systems				
Other Expenses	188.56	188.56	188.56	-
Convenience Center				
Other Expenses	15,030.46	15,030.46	6,269.23	8,761.23
Public Buildings & Grounds				
Other Expenses	9,044.18	9,044.18	3,992.77	5,051.41
Streets & Roads:				
Other Expenses	15,313.28	15,313.28	2,463.56	12,849.72
Landfill Closure Costs				
Street Lighting	10,206.97	10,206.97	2,762.95	7,444.02
Dog Regulation				
Other Expenses	137.50	137.50	137.50	-
Municipal Court				
Other Expenses	7,786.76	7,786.76	4,008.63	3,778.13
Public Defender				
Other Expenses	1,800.00	1,800.00	500.00	1,300.00
Municipal Prosecutor				
Other Expenses	3,250.00	3,250.00	2,250.00	1,000.00
Board of Health				
Other Expenses	3,000.00	3,000.00	360.00	2,640.00
Recreation				
Other Expenses	8,755.77	8,755.77	1,226.29	7,529.48
Fire				
Other Expenses	239.19	239.19	239.19	-
EMS First Responder				
Other Expenses	2,386.81	2,386.81	309.90	2,076.91

## STATEMENT OF 2009 APPROPRIATION RESERVES (cont'd)

	Balance Dec. 31, 2009	Balance After Transfers	Expended	Balance Lapsed
Telephone	1,551.07	1,551.07	755.09	795.98
Electricity	5,602.16	5,602.16	578.70	5,023.46
Gas (Propane)	5,059.74	5,059.74	525.47	4,534.27
Gasoline	3,563.95	3,563.95	606.31	2,957.64
Uniform Construction Code Enforcement				
Other Expenses	2,632.54	2,632.54	83.57	2,548.97
Recycling Tax	2,136.13	2,136.13	175.86	1,960.27
Other Accounts with No Change	73,226.41	73,226.41		73,226.41
	<u>\$ 188,395.86</u>	<u>188,395.86</u>	<u>36,241.12</u>	<u>152,154.74</u>
Reserves Balance	A	\$ 155,497.72		A-1
Encumbrances Payable	A	32,898.14		
		<u>\$ 188,395.86</u>		

STATEMENT OF EMERGENCY AUTHORIZATIONS  
PER N.J.S. 40A:4-53

<u>Purpose</u>	<u>Date</u>	<u>Net Amount Authorized</u>	<u>1/5 of Amount</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Budget</u>	<u>Balance Dec. 31, 2010</u>
Revision of Municipal Ordinances & Master Plan	11/20/08	\$ 25,000.00	5,000.00	20,000.00	5,000.00	15,000.00
Reassessment Revaluation	5/16/2005	113,000.00	22,600.00	22,600.00	22,600.00	-
		<u>\$ 138,000.00</u>	<u>27,600.00</u>	<u>42,600.00</u>	<u>27,600.00</u>	<u>15,000.00</u>
<u>Ref.</u>				A	A-3	A

STATEMENT OF PREPAID TAXES

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 37,609.61
Increased by:		
Prepaid Taxes Collected	A-4	32,883.56
		<u>70,493.17</u>
Decreased by:		
Applied to Taxes Receivable	A-5	<u>37,609.61</u>
Balance December 31, 2010	A	<u><u>\$ 32,883.56</u></u>

STATEMENT OF TAX OVERPAYMENTS

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 10,888.37
Increased by:			
Created by Cancellation	A-6	\$ 10.07	
Collected	A-4	<u>2,596.85</u>	
			<u>2,606.92</u>
			13,495.29
Decreased by:			
Refunded		\$ -	
Applied to Taxes Receivable	A-6	<u>75.09</u>	
			<u>75.09</u>
Balance December 31, 2010	A		<u><u>\$ 13,420.20</u></u>

STATEMENT OF DUE TO STATE OF NEW JERSEY  
FOR EXEMPTIONS

Balance December 31, 2009 *	<u>Ref.</u> A	\$ 1,693.68
Increased by:		
Received from State	A-4	<u>22,750.00</u>
		<b>24,443.68</b>
Decreased by:		
Allowed for 2010 - Net	A-5	<u>22,756.24</u>
Balance December 31, 2010 *	A	<u><u>\$ 1,687.44</u></u>

\* Note: This is a revolving amount that cannot be verified with any independent source. A review was done by the Commissioner of Revenue & Finance and the present Tax Collector. The review determined that the balance due will not be received, due to errors in previous reports therefore a final adjustment was made.

STATEMENT OF DUE COUNTY FOR ADDED TAX

Balance December 31, 2009	<u>Ref.</u> A	\$ 37.06
Increased by:		
County Share of Added Tax	A-6	<u>3,914.69</u>
		<b>3,951.75</b>
Decreased by:		
Payments	A-4	<u>37.06</u>
Balance December 31, 2010	A	<u><u>\$ 3,914.69</u></u>

STATEMENT OF LOCAL DISTRICT SCHOOL TAX

	<u>Ref.</u>		
Balance December 31, 2009			
Deferred		\$ 199,991.00	
Payable	A	<u>374,154.16</u>	
			\$ 574,145.16
Increased by:			
Levy - School Year July 1, 2010 to June 30, 2011	A-1		<u>1,190,863.00</u>
			<u>1,765,008.16</u>
Decreased by:			
Payments	A-4		<u>1,169,628.48</u>
Balance December 31, 2010			
Deferred		199,991.00	
Payable	A	<u>395,388.68</u>	
			<u>\$ 595,379.68</u>
Charged to 2010 Operations			<u><u>\$ 1,190,863.00</u></u>

STATEMENT OF REGIONAL SCHOOL TAX

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 5,298.96
Increased by:			
Levy - Calendar Year 2010	A-1		<u>934,355.54</u>
			<u>939,654.50</u>
Decreased by:			
Payments	A-4		<u>902,853.10</u>
Balance December 31, 2010	A		<u><u>36,801.40</u></u>

## FEDERAL AND STATE GRANT FUND

## STATEMENT OF GRANTS RECEIVABLE

	Balance <u>Dec. 31, 2009</u>	2010 Budget <u>Revenue Realized</u>	Cash <u>Received</u>	<u>Canceled</u>	Transfer from Unappropriated <u>Reserves</u>	Balance <u>Dec. 31, 2010</u>
Municipal Alliance - Alcohol & Drug	\$ -	8,603.00	3,000.00	-	-	\$ 5,603.00
NJ Transportation Trust Fund Authority Act Alcohol Education & Rehabilitation Fund	524,679.75	-	369,191.28	-	-	155,488.47
Clean Communities Grant	-	1,206.55	1,206.55	-	-	-
C.D.B.G. # 0601-98	-	6,527.73	6,024.41	-	503.32	-
C.D.B.G. # 0601-98	503.50	-	-	-	-	503.50
C.D.B.G. - FY 2001 # 0601-01	2.27	-	-	-	-	2.27
C.D.B.G. - FY 2007 # 0601-07	5,509.45	-	-	-	-	5,509.45
Hazardous Discharge Site Remediation	500.00	-	-	-	-	500.00
GovConnect Grant	140.00	-	-	-	-	140.00
Municipal Stormwater Regulation Program	8,750.00	-	-	-	-	8,750.00
NJ Transportation Trust Fund Authority Act Amasa Landing Road/Culvert Pipe	75,000.00	-	41,819.90	-	-	33,180.10
NJ Transportation Trust Fund Authority Act Greenbush Road /Culvert Replacement	55,000.00	-	-	-	-	55,000.00
CDBG FY09 Projects	-	79,888.00	79,888.00	-	-	-
US Forest Service Volunteer Fire Assistance	-	-	-	-	-	-
Rural Fire Assistance Grant 2010	-	4,644.00	4,644.00	-	-	-
NJ Transportation Trust Fund Authority Act Leektown Road	-	195,000.00	-	-	-	195,000.00
	<u>\$ 670,084.97</u>	<u>295,869.28</u>	<u>505,774.14</u>	<u>-</u>	<u>503.32</u>	<u>\$ 459,676.79</u>
Ref.	Λ	A-2	A-4		Λ-17	Λ

## FEDERAL AND STATE GRANT FUND

## STATEMENT OF APPROPRIATED RESERVES

	Balance Dec. 31, 2009	Transfer from 2010 Budget	Canceled	Expended	Balance Dec. 31, 2010
Municipal Alliance - Alcohol & Drug	\$ -	8,603.00	-	1,641.45	\$ 6,961.55
Municipal Alliance - Alc. & Drug - Local Match	-	2,150.75	-	500.00	1,650.75
NJ Transportation Trust Fund Authority Act	61,626.42	-	-	100.00	61,526.42
Alcohol Education & Rehabilitation Fund	5,641.21	1,206.55	-	4,360.00	2,487.76
Clean Communities Grant	35,710.06	6,527.73	-	10,473.76	31,764.03
Exercise Pass-Through Grant	9.77	-	-	-	9.77
C.D.B.G. - FY 2001 #0601-01	2.27	-	-	-	2.27
Rural Development Pilot Program	656.78	-	-	-	656.78
NJ DEPE Local Coastal Planning Grant	5,670.00	-	-	-	5,670.00
Hazardous Discharge Site Remediation	2,897.00	-	-	-	2,897.00
Recycling Tonnage Grant	1,634.48	-	-	-	1,634.48
GovConnect Grant	500.00	-	-	-	500.00
Rural Fire Assistance Grant 2010	-	4,644.00	-	-	4,644.00
Rural Fire Assistance Grant 2010 - Local Match	-	516.00	-	-	516.00
C.D.B.G. - FY 2005 Projects	3,217.25	-	-	-	3,217.25
CDBG FY09 Projects	-	79,888.00	-	79,888.00	-
Municipal Stormwater Regulation Program	6,362.43	-	-	3,639.00	2,723.43
NJ Transportation Trust Fund Authority Act Amasa Landing Road/Culvert Pipe	66,259.92	-	-	66,259.92	-
NJ Transportation Trust Fund Authority Act West Greenbush Road/Culvert Replacement	55,000.00	-	-	4,641.72	50,358.28
NJ Transportation Trust Fund Authority Act Leektown Road	-	195,000.00	-	12,113.51	182,886.49
Wal-Mart Foundation - Drug & Alcohol Resistance Grant	3,220.00	-	-	2,000.00	1,220.00
	<u>\$ 248,407.59</u>	<u>298,536.03</u>	<u>-</u>	<u>185,617.36</u>	<u>\$ 361,326.26</u>
Ref.	A	A-3		A-4	A

FEDERAL AND STATE GRANT FUND  
STATEMENT OF UNAPPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Transferred to</u> <u>2010 Budget</u> <u>Appropriations</u>	<u>Cash</u> <u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
US Forest Service Volunteer Fire Assistance	\$ -	-	4,581.00	-	\$ 4,581.00
Cable Television Grant	-	-	6,500.00	-	6,500.00
Clean Communities Grant	503.32	503.32	-	-	-
	<u>\$ 503.32</u>	<u>503.32</u>	<u>11,081.00</u>	<u>-</u>	<u>\$ 11,081.00</u>
<u>Ref.</u>	A	A-2	A-4		A

## TRUST FUND

## STATEMENTS OF RECEIPTS AND DISBURSEMENTS

	Ref.	Dog Fund	Other Funds	Assessment Fund
Balance December 31, 2009	B	<u>\$ 798.23</u>	<u>\$ 49,168.16</u>	<u>\$ 7,046.70</u>
Receipts:				
Dog License Fees	B-3	528.20	-	-
State Registration Fees		268.80	-	-
Public Defender Fees		-	1,760.00	-
Unemployment Employee Deductions	B-6	-	-	-
Unemployment Fund - Interest	B-6	-	9.45	-
Tax Sale Premiums - Interest		-	1.54	-
Construction Fees		-	15,525.00	-
Cash Bonds		-	14,551.82	-
Assessment Receivable	B-8	-	-	4,362.73
Assessment Interest & Costs	B-5	-	-	544.59
Due to Current Fund	B-5	-	-	105.00
Interest	B-4, B-5	1.87	56.43	15.18
Total Receipts		<u>798.87</u>	<u>31,904.24</u>	<u>5,027.50</u>
Total Receipts & Balances		<u>1,597.10</u>	<u>81,072.40</u>	<u>12,074.20</u>
Disbursements:				
State Registration Fees	B	264.60	-	-
Dog Fund Expenditures	B-3	225.00	-	-
Public Defender Fees		-	5,500.00	-
Cash Bonds		-	14,988.64	-
State Training & DCA Fees		-	12,786.00	-
Paid to Current Fund	A-2	-	-	7,046.70
Total Disbursements		<u>489.60</u>	<u>33,274.64</u>	<u>7,046.70</u>
Balance December 31, 2010	B	<u>\$ 1,107.50</u>	<u>\$ 47,797.76</u>	<u>\$ 5,027.50</u>

STATEMENT OF TRUST CASH & RECONCILIATION  
PER N.J.S. 40A:5-5

	<u>Dog Trust Fund</u>	<u>Other Fund</u>	<u>Assessment Fund</u>
Balance December 31, 2010	\$ 1,107.50	<u>\$ 47,797.76</u>	\$ 5,027.50
Increased by Cash Receipts	561.51	<u>5,911.19</u>	<u>320.79</u>
	1,669.01	53,708.95	5,348.29
Decreased by Cash Disbursements	153.60	<u>12,776.11</u>	-
Balance June 30, 2011	<u>\$ 1,515.41</u>	<u>\$ 40,932.84</u>	<u>\$ 5,348.29</u>

Cash Reconciliation, June 30, 2011

Balance per statement of:			
Sun National Bank	\$ 1,515.41	\$ 38,204.21	\$ 5,348.29
Less: Outstanding Checks	-	-	-
	<u>1,515.41</u>	<u>38,204.21</u>	<u>5,348.29</u>
Bank of America	-	2,728.63	-
	<u>\$ 1,515.41</u>	<u>\$ 40,932.84</u>	<u>\$ 5,348.29</u>

STATEMENT OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2009	<u>Ref.</u> B	\$ 575.35
Increased by:		
Dog License Fees Collected	B-1	<u>528.20</u>
		1,103.55
Decreased by:		
Dog Fund Expenditures	B-1	<u>225.00</u>
Balance December 31, 2010	B	<u>\$ 878.55</u>

Fees Collected:

<u>Year</u>	<u>Amount</u>
2009	\$ 525.00
2008	553.00
	<u>\$ 1,078.00</u>

B-4

STATEMENT OF DUE TO CURRENT FUND  
(DOG FUND)

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 260.38
Increased by:		
Interest Earned	B-1	<u>1.87</u>
Balance December 31, 2010	B	<u><u>\$ 262.25</u></u>

B-5

STATEMENT OF DUE TO CURRENT FUND  
(ASSESSMENT FUND)

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 7,046.70
Increased by:		
Interest Income	B-1	\$ 15.18
Interest & Costs on Assessments	B-1	544.59
Received in Assessment Fund	B-1	105.00
Statutory Excess Due Current Fund	B-1	<u>4,362.73</u>
		<u>5,027.50</u>
		<u>12,074.20</u>
Decreased by:		
Paid to Current Fund	B-1	<u>7,046.70</u>
Balance December 31, 2010	B	<u><u>\$ 5,027.50</u></u>

STATEMENT OF UNEMPLOYMENT FUND RESERVE

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 2,133.25
Increased by:		
Interest Earned	B-1	<u>9.45</u>
Balance December 31, 2010	B	<u><u>\$ 2,142.70</u></u>

STATEMENT OF DUE TO CURRENT FUND  
(TRUST OTHER FUND)

	<u>Ref.</u>		
Balance December 31, 2009	B		\$ 8,917.94
Increased by:			
Administrative Interest on Developer Bonds	B-1	\$ 12.22	
Tax Sales Premiums - Interest		<u>1.54</u>	
			<u>13.76</u>
Decreased by:			
Received in Current Fund	A-4		<u>2,200.00</u>
Balance December 31, 2010	B		<u><u>6,731.70</u></u>

STATEMENT OF ASSESSMENTS RECEIVABLE

<u>Purpose</u>	<u>Date</u> <u>Confirmed</u>	<u>Date</u>	<u>Number</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Adjustments</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Offshore Manor Wastewater	11/08/90	3/10/91-2011	20	<u>\$ 6,402.58</u>	<u>-</u>	<u>4,362.73</u>	<u>\$ 2,039.85</u>

STATEMENT OF RESERVE FOR ASSESSMENTS

<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Pledged to</u> <u>Receivable Balance</u> <u>Dec. 31, 2010</u>
<u>\$ 2,039.85</u>	<u>\$ 2,039.85</u>

STATEMENT OF CASH

Balance December 31, 2009	<u>Ref.</u> C		\$ 3,723.03
Increased by:			
Interest Earned Due to Current Fund-net	C-6		<u>78.61</u>
			3,801.64
Decreased by:			
Paid Current Fund	C-6	\$ 1,520.88	
Bank Account Fees	C-6	<u>94.93</u>	
			<u>1,615.81</u>
Balance December 31, 2010	C		<u><u>\$ 2,185.83</u></u>

STATEMENT OF CASH AND RECONCILIATION PER N.J.S. 40A:5-5

Balance December 31, 2010	\$2,185.83
Increased by:	
Receipts	<u>0.92</u>
Balance June 30, 2011	<u><u>\$2,186.75</u></u>
<u>Cash Reconciliation, June 30, 2011</u>	
Balance per statement of:	
Sun National Bank	<u><u>\$ 2,186.75</u></u>

ANALYSIS OF CAPITAL CASH

	<u>Date of Ordinance</u>	<u>Amount</u>
Reserve for Note Principal		\$ 19,000.00
Due to Current Fund		5,008.10
Capital Improvement Fund		104,273.00
Capital Fund Balance		353.89
Improvement Authorizations:		
Purchase of Recreation Equipment & Improvements to Recreation Area	5/24/96	2,144.08
Purchase of Fire Trucks	1/22/01	(5,024.64)
Expansion of Municipal Building, Improvements to Land, Purchase of Equipment & Property	11/19/01	(10,469.98)
Reconstruction & Reconfiguration of Drainage on Munion Field Road	10/7/02	(90,000.00)
Reconstruction and/or Reconfiguration of Goldecker & Various Streets	6/16/03	(31,003.43)
Improvement of Various Strrets	2/25/08	2,705.05
Acquisition of Property	5/5/08	5,199.76
		<u>\$ 2,185.83</u>
	<u>Ref.</u>	C

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION  
FUNDED

Balance December 31, 2009	<u>Ref.</u> C	\$ 232,250.00
Increased by:		
Investment - BAN Current Fund	C-5	<u>-</u>
Balance December 31, 2010	C	<u>\$ 232,250.00</u>

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION  
UNFUNDED

<u>Purpose</u>	<u>Authorization</u>		Balance
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2010</u>
Purchase of Fire Trucks	1/22/01	\$ 40,000.00	\$ 5,024.64
Expansion of Municipal Building, Improvements to Land, & Purchase of Equipment & Property	11/19/01	100,000.00	10,469.98
Reconstruction & Reconfiguration of Drainage on Munion Field Road	10/7/02	100,000.00	90,000.00
Reconstruction and/or Reconfiguration of Goldecker & Various Streets	6/16/03	50,000.00	31,003.43
			<u>\$ 136,498.05</u>
		<u>Ref.</u>	C

## STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Description	Date	Ordinance Amount	Balance Dec. 31, 2009		2010 Authorization	Expended	Cancelled	Balance Dec. 31, 2010	
			Funded	Unfunded				Funded	Unfunded
Construction of Transfer Station	05/06/82	\$ 57,000.00	-	6,626.12		-	6,626.12	-	-
Waste Water Disposal System	05/06/82	57,000.00	-	297.11		-	297.11	-	-
Improvements to Recreation Area	05/24/96	15,000.00	2,144.08	-		-	-	2,144.08	-
Installation of Well & Septic System at Municipal Building	12/15/97	20,000.00	-	7,750.00		-	7,750.00	-	-
Reconstruction & Reconfiguration of Drainage on West Greenbush Road	3/10/1999	40,000.00	-	12,139.67		-	12,139.67	-	-
Expansion of Municipal Building, Improvements to Land & Purchase of Equipment & Property	11/19/2001	100,000.00	-	430.13		-	430.13	-	-
Reconstruction & Reconfiguration of Drainage on Goldecker, Various Rds.	6/16/2003	50,000.00	-	0.90		-	0.90	-	-
Improvement of Various Streets	2/25/2008	120,000.00	11,145.20			8,440.15	-	2,705.05	-
Acquisition of Property	5/5/2008	65,000.00	5,199.76			-	-	5,199.76	-
			<b>\$ 18,489.04</b>	<b>27,243.93</b>	<b>-</b>	<b>8,440.15</b>	<b>27,243.93</b>	<b>10,048.89</b>	<b>-</b>
Ref.			C	C		C-6	C-6,A-4	C	C

STATEMENT OF DUE TO CURRENT FUND

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 8,105.15
Increased by:			
Interest Earned in Capital Fund - net	A-2	\$ 78.61	
Improvement Authorization Expenditures	C-5,A-4	<u>8,440.15</u>	
			<u>8,518.76</u>
			<u>16,623.91</u>
Decreased by:			
Budget Appropriation - Capital Improvement Fund	A-3	10,000.00	
Paid to Current Fund	C-1,A-4	1,520.88	
Bank Account Fees	C-1	<u>94.93</u>	
			<u>11,615.81</u>
Balance December 31, 2010	C		<u><u>\$ 5,008.10</u></u>

STATEMENT OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 94,273.00
Increased by:			
Budget Appropriation	C-6	10,000.00	
			<u>104,273.00</u>
Decreased by:			
Utilized to Finance Improvement Authorizations		<u>-</u>	
Balance December 31, 2010	C		<u><u>\$ 104,273.00</u></u>

STATEMENT OF BOND ANTICIPATION NOTES

<u>Purpose</u>	<u>Original Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>
Improvements to Various Streets(*)	12/15/08	12/15/11	0.00%	\$ 114,000.00
Purchase of Heavy Duty Fire EMS Truck(*)	12/15/08	12/15/11	0.00%	38,000.00
Acquisition of Property(*)	12/15/08	12/15/11	0.00%	28,500.00
Acquisition of Fire Equipment(*)	11/20/06	11/20/11	0.00%	<u>51,750.00</u>
				<u><u>232,250.00</u></u>
(*) Purchased by the Municipality			<u>Ref.</u>	C

STATEMENT OF BONDS AND NOTES AUTHORIZED AND UNISSUED

	<u>Ordinance</u>		<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2010</u>
Purchase of Fire Trucks	1/22/01	\$ 40,000.00	\$ 5,024.64
Expansion of Municipal Bldg., Improvements to Land, Purchase Of Equipment & Property	11/19/01	100,000.00	10,469.98
Reconstruction of Munion Field Road	10/7/02	95,000.00	90,000.00
Reconstruction and/or Reconfiguration of Goldecker & Various Streets	6/16/03	47,500.00	31,003.43
			<u>\$ 136,498.05</u>
		<u>Ref.</u>	<u>C</u>

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Tax Rate</u>	\$ <u>1.526</u>	\$ <u>1.375</u>	\$ <u>1.337</u>
<u>Apportionment of Tax Rate</u>			
Municipal	0.042	0.012	0.011
County	0.394	0.353	0.377
Local School	0.611	0.577	0.545
Regional High School	0.479	0.433	0.404

Assessed Valuation

2010	\$ 201,671,353
2009	198,952,981
2008	201,725,400

COMPARISON OF TAX LEVIES & 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 levies.

<u>Year</u>	<u>Tax Levy</u>	----- Currently -----	
		<u>Cash</u> <u>Collection</u>	<u>Percentage</u> <u>of Collection</u>
2010	\$ 2,985,799.29	2,811,748.28	94.17%
2009	2,735,750.14	2,535,748.24	92.68%
2008	2,716,927.43	2,530,476.08	93.13%

DELINQUENT TAXES & 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.

<u>Dec. 31, Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$449,470.69	162,799.17	612,269.86	20.50%
2009	417,188.65	173,480.64	590,669.29	21.59%
2008	393,477.81	146,869.47	540,347.38	19.88%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties were acquired in 2010 by foreclosure as a result of liquidation of tax title liens.

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

2010	\$ 584,100.00
2009	584,100.00
2008	584,100.00

COMPARATIVE SCHEDULE OF FUND BALANCE

<u>Current Fund:</u>	<u>Balance, December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Year</u>		
2010	\$ 834,853.11	660,000.00
2009	547,954.57	500,000.00
2008	733,826.22	575,000.00
2007	1,063,467.39	725,000.00
2006	811,340.05	625,000.00

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

	Year 2010		Year 2009	
	Amount	%	Amount	%
<u>Revenue &amp; Other Income Realized</u>				
Fund Balance Utilized	\$ 500,000.00	9.92%	\$ 575,000.00	13.05%
Miscellaneous - From Other Than				
Local Property Taxes	1,244,458.40	24.70%	1,086,145.72	24.65%
Collection of Delinquent Taxes &				
Tax Title Liens	141,808.42	2.81%	123,054.24	2.79%
Collection of Current Tax Levy	2,811,748.28	55.80%	2,535,748.24	57.54%
Interfund Loans Received	341,207.02	6.77%	86,887.56	1.97%
Total Income	<b>\$ 5,039,222.12</b>	<b>100.00%</b>	<b>\$ 4,406,835.76</b>	<b>100.00%</b>
 <u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	1,359,416.03	31.97%	1,272,589.56	31.67%
County Taxes	767,687.14	18.05%	699,985.68	17.42%
Local & Regional School Taxes	2,125,218.54	49.98%	2,010,318.51	50.04%
Interfund Loans	1.87	0.00%	1,530.52	0.04%
Other Expenditures	-	0.00%	33,283.14	0.83%
Total Expenditures	<b>4,252,323.58</b>	<b>100.00%</b>	<b>4,017,707.41</b>	<b>100.00%</b>
 Less: Expenditures to be Raised by Future Taxes	-		-	
Total Adjusted Expenditures	<b>4,252,323.58</b>		<b>4,017,707.41</b>	
 Excess in Revenue	786,898.54		389,128.35	
Fund Balance, January 1	547,954.57		733,826.22	
	<b>1,334,853.11</b>		<b>1,122,954.57</b>	
Less: Utilized as Anticipated Revenue	500,000.00		575,000.00	
 Fund Balance, December 31	<b>\$ 834,853.11</b>		<b>\$ 547,954.57</b>	

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Deborah Buzby-Cope	Mayor, Commissioner of Public Works, Parks, & Public Property		
T. Richard Bethea	Commissioner of Revenue & Finance		
Gary Smith	Commissioner of Public Affairs & Safety		
Amanda Somes	Clerk, Improvement Search Officer	*	
Joseph H. Gross	Chief Financial Officer	*	
Linda Eliason-Ash	Tax Collector, Tax Search Officer	\$1,000,000.00	JIF
Adolph Sicheri	Municipal Judge	*	
Peggy Beck	Court Administrator	*	
John Ewert	Construction Code Official	*	
James J. Renwick	Assessor		
Kris Kluk	Engineer		
McCrink, Nelson & Kehler	Solicitor		

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

\* Burlington County Municipal Joint Insurance Fund (JIF) Blanket Crime Coverage  
in the amount of \$1,000,000.00

TOWNSHIP OF BASS RIVER  
STATEMENT OF GENERAL FIXED ASSETS

	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
General Fixed Assets:		
Land	\$ 809,912.96	\$ 809,912.96
Buildings	221,978.49	221,978.49
Equipment	214,224.82	214,224.82
Vehicles	11,000.00	11,000.00
Fire Trucks	705,162.00	705,162.00
	<u>\$ 1,962,278.27</u>	<u>\$ 1,962,278.27</u>
Investment in General Fixed Assets	<u>\$ 1,962,278.27</u>	<u>\$ 1,962,278.27</u>

TOWNSHIP OF BASS RIVER

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

## GENERAL COMMENTS

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

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost of the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to section 3 of P.L. 1971, c.198 (C.40A: 11-3), except by contract or agreement."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$ 26,000.00, 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 advertising for the following items:  
Road reconstruction and Culvert replacement

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

Disbursements were reviewed to determine whether any clear-cut violations existed.

My examination of expenditures did not reveal any individual payments, contracts, or agreements in excess of \$26,000.00, "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously been adopted under the provision of N.J.S. 40A:11-6.

### Collection of Interest on Delinquent Taxes

The Statute provides the method for authorizing interest and the maximum rates to be charged for non-payment of taxes on or before the date when they would become delinquent.

The governing body adopted a resolution authorizing interest to be charged for non-payment of taxes on or before the date when they would become delinquent at the rate of 8% per annum on amounts over \$1,500.00. There is also a 10-day grace period prior to charging interest.

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

### Delinquent Taxes and Tax Title Liens

A tax sale was held on November 18, 2010 and was complete, except for disputed & bankruptcy items.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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	135
2009	132
2008	135

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, including mailing of verification notice as follows:

<u>Type</u>	<u>Number Mailed</u>
Payment of 2011 Taxes	35
Payment of 2010 Taxes	35
Delinquent Taxes	40
Assessments	10
Tax Title Liens	15

The results of the test, which was made as of December 31, 2010, is not yet known, but a separate report will be filed if any irregularities are disclosed.

Follow-up of Prior Year Findings

In accordance with Government Auditing Standards, a review was made of all prior-year findings. There were no prior-year findings.

\*

\*

\*

Should any questions arise as to my comments or recommendations, please do not hesitate to contact me.

Respectfully submitted,



MICHAEL P. GROSS  
Registered Municipal Accountant (No. 20CR000535)  
Certified Public Accountant (No. CC025466)

Ship Bottom, New Jersey  
August 5, 2011