

Report of Audit

on the

Financial Statements

of the

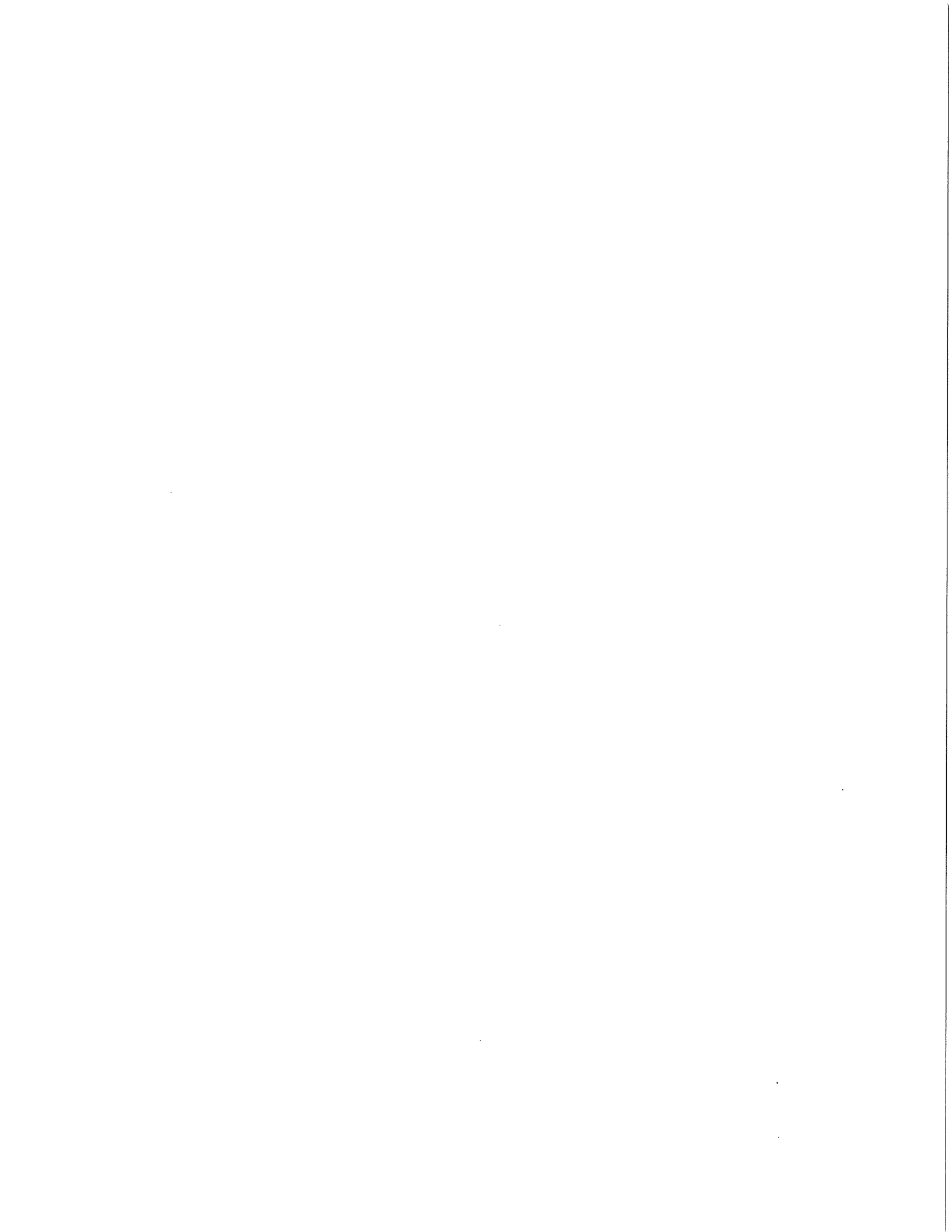
Township of Bridgewater

in the

County of Somerset
New Jersey

for the

Year Ended
December 31, 2011



TOWNSHIP OF BRIDGEWATER

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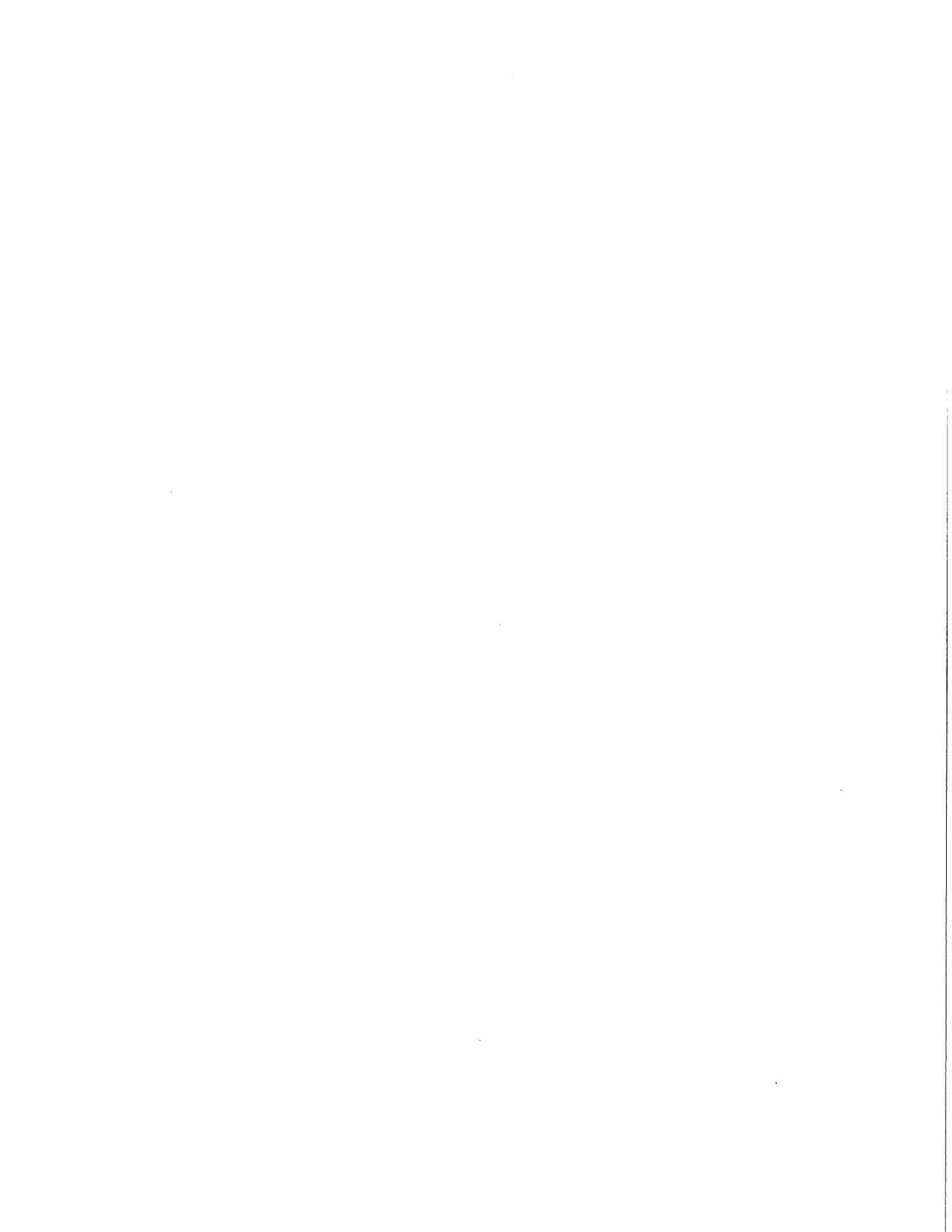
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TOWNSHIP OF BRIDGEWATER

PART I

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2011 AND 2010



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

We have audited the accompanying financial statements - regulatory basis of the various individual funds and the account group of the Township of Bridgewater, County of Somerset, New Jersey as of and for the years ended December 31, 2011 and 2010, and for the year ended December 31, 2011 as listed as financial statements - regulatory basis in the foregoing table of contents. These financial statements - regulatory basis are the responsibility of the management of the Township of Bridgewater, County of Somerset. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Audit." Those standards and provisions 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 Bridgewater, County of Somerset, prepares its financial statements on a prescribed regulatory 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 New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

In our opinion, because the Township of Bridgewater prepares 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 generally accepted accounting principles, the financial position of the various individual funds of the Township of Bridgewater as of December 31, 2011 and 2010 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2011.


However, in our opinion, the financial statements – regulatory basis present fairly, in all material respects, the financial position – regulatory basis of the various individual funds and account groups of the Township of Bridgewater, County of Somerset, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the revenues, expenditures and changes in fund balance – regulatory basis for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated March 26, 2012 on our consideration of the Township of Bridgewater's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants 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 considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements – regulatory basis taken as a whole. The information included in the schedules of expenditures of federal awards and state financial assistance and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by the State of New Jersey, OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the regulatory financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the information of the Township of Bridgewater, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

March 26, 2012

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CURRENT FUND

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
Cash	A-4	\$ 9,212,330.06	\$ 9,672,892.50
Change Fund	A-6	410.00	410.00
Due State of New Jersey - Senior Citizens and Veterans	A-7	176,382.48	163,348.84
		<u>\$ 9,389,122.54</u>	<u>\$ 9,836,651.34</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 1,578,944.04	\$ 1,155,904.30
Tax Title Liens Receivable	A-9	115,499.14	112,632.62
Property Acquired for Taxes - Assessed Valuation	A-10	422,300.00	422,300.00
Revenue Accounts Receivable	A-13	46,005.32	56,473.83
Prepaid Fire District Taxes	A-22		1,500.00
Interfunds Receivable	A-12	34,261.56	31,263.23
	A	<u>\$ 2,197,010.06</u>	<u>\$ 1,780,073.98</u>
Deferred Charges	A-30	<u>\$ 774,509.00</u>	<u>\$ 100,000.00</u>
	A	<u>\$ 12,360,641.60</u>	<u>\$ 11,716,725.32</u>
Grant Fund:			
Cash	A-4	\$ 88,859.30	\$ 236,273.01
Grants Receivable	A-25	1,056,199.47	1,409,892.23
Due Current Fund	A-29	1,492.31	
	A	<u>\$ 1,146,551.08</u>	<u>\$ 1,646,165.24</u>
	A	<u>\$ 13,507,192.68</u>	<u>\$ 13,362,890.56</u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriations Reserves	A-3:A-14	\$ 1,540,478.95	\$ 1,168,415.51
Prepaid Taxes	A-18	1,009,587.52	867,565.85
Accounts Payable	A-11	779,738.69	636,670.30
Tax Overpayments	A-17	434,332.24	999,593.08
Interfunds Payable	A-12	750,788.51	748,749.24
Reserve For:			
Sale of Municipal Assets	A-19	56,844.65	226,759.85
Marriage/Civil Union Licenses - Due State of NJ	A-27	775.00	1,050.00
Construction Code DCA - Due State of New Jersey	A-16	27,488.00	18,579.00
County Taxes Payable	A-20	133,197.09	85,785.74
Tax Appeals	A-15	684,495.43	701,001.88
Storm Damage - FEMA	A-26	82,023.16	31,263.23
Emergency Note Payable	A-28	432,509.00	
		<u>\$ 5,932,258.24</u>	<u>\$ 5,485,433.68</u>
Reserve for Receivables and Other Assets	A	2,197,010.06	1,780,073.98
Fund Balance	A-1	<u>4,231,373.30</u>	<u>4,451,217.66</u>
	A	<u>\$ 12,360,641.60</u>	<u>\$ 11,716,725.32</u>
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 67,715.96	\$ 35,656.33
Reserve for Grants - Appropriated	A-23	727,949.27	1,109,081.70
Due Current Fund	A-29		31,263.23
Accounts Payable	A-11	<u>350,885.85</u>	<u>470,163.98</u>
	A	<u>\$ 1,146,551.08</u>	<u>\$ 1,646,165.24</u>
	A	<u>\$ 13,507,192.68</u>	<u>\$ 13,362,890.56</u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2011	YEAR ENDED DECEMBER 31, 2010
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 3,116,859.31	\$ 3,584,732.98
Miscellaneous Revenue Anticipated	A-2	13,566,701.87	14,499,963.24
Receipts From Delinquent Taxes	A-2	1,157,959.74	1,554,249.75
Receipts From Current Taxes	A-2	163,523,102.75	161,788,216.45
Non-Budget Revenue	A-2	410,006.72	323,134.17
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	600,364.07	525,061.81
Grants Appropriated Canceled	A-23	128,251.55	87,074.00
Accounts Payable Canceled	A-11	54,219.59	25,846.65
Reserves Canceled		907.78	1,942.19
Accounts Receivable		1,500.00	
<u>TOTAL REVENUE AND OTHER INCOME</u>		\$ <u>182,559,873.38</u>	\$ <u>182,390,221.24</u>
<u>EXPENDITURES</u>			
Budget Appropriations	A-3	\$ 36,019,862.98	\$ 36,045,498.97
Special Fire District Taxes	A-22	2,199,096.00	2,167,745.00
County Taxes	A-20	32,798,260.70	34,764,775.45
Regional School District Taxes	A-21	109,277,842.74	106,302,430.34
Municipal Open Space Taxes			314.58
Grants Receivable Canceled	A-25	129,743.86	87,074.00
Interfunds Advanced		2,998.33	31,263.23
Prepaid Fire District			1,500.00
Refund of Prior Year Revenue	A-4	9,562.82	12,418.53
<u>TOTAL EXPENDITURES</u>		\$ <u>180,437,367.43</u>	\$ <u>179,413,020.10</u>
Excess in Revenue		\$ 2,122,505.95	\$ 2,977,201.14
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	A-30	\$ 774,509.00	\$ 100,000.00
Regulatory Excess to Fund Balance		\$ 2,897,014.95	\$ 3,077,201.14
Fund Balance, January 1	A	<u>4,451,217.66</u>	<u>4,958,749.50</u>
Decreased by:		\$ <u>7,348,232.61</u>	\$ <u>8,035,950.64</u>
Utilization as Anticipated Revenue	A-1:A-2	<u>3,116,859.31</u>	<u>3,584,732.98</u>
Fund Balance, December 31	A	\$ <u><u>4,231,373.30</u></u>	\$ <u><u>4,451,217.66</u></u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2011

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 3,116,859.31	\$ 3,116,859.31	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 85,000.00	\$ 86,502.00	\$ 1,502.00
Other	A-13	30,000.00	32,701.00	2,701.00
Fees and Permits:				
Construction Code Official	A-2	630,000.00	1,039,672.60	409,672.60
Other	A-2	240,000.00	279,869.71	39,869.71
Municipal Court:				
Fines and Costs	A-13	750,000.00	745,796.88	(4,203.12)
Interest and Costs on Taxes	A-13	300,000.00	329,268.87	29,268.87
Interest on Investments and Deposits	A-13	100,000.00	67,104.74	(32,895.26)
Recreation Fees	A-2	115,000.00	125,950.00	10,950.00
Consolidated Municipal Property Tax Relief Aid	A-13	508,750.00	508,750.00	
Energy Receipts Tax	A-13	5,391,429.00	5,391,429.00	
Garden State Trust Fund	A-13	4,082.00	4,082.00	
Joint Services with County Library	A-13	300,633.71	300,633.71	
Recycling Tonnage Grant	A-25	76,754.83	76,754.83	
Drunk Driving Enforcement Fund	A-25	20,679.41	20,679.41	
Clean Communities Program	A-25		75,732.58	75,732.58
Municipal Alliance on Alcoholism and Drug Use	A-25		39,673.00	39,673.00
Safe & Secure Communities Program	A-25	56,168.00	56,168.00	
Office of Emergency Management	A-25		5,000.00	5,000.00
Youth Services Program	A-25	5,000.00	5,000.00	
Somerset Youth Athletic & Recreational Facility Grant	A-25	14,976.92	14,976.92	
Over the Limit, Under Arrest	A-25	5,000.00	5,000.00	
Alcohol Education Rehabilitation Program	A-25		6,148.56	6,148.56
H1N1 Grant	A-25	10,000.00	10,000.00	
Child Passenger Safety	A-25	4,000.00	4,000.00	
Over the Limit, Under Arrest 2011 Mobilization	A-25		4,400.00	4,400.00
2011 NJ DOT Highway Safety Grant	A-25		112,890.17	112,890.17
2010 NJ DOT Municipal Aid Grant for Brown Road	A-25		150,000.00	150,000.00
2012 Homeland Security Emergency Management	A-25		5,000.00	5,000.00
2011 Bulletproof Vest Partnership	A-25		2,700.00	2,700.00
Life Hazard Use Fees	A-13	115,000.00	131,322.28	16,322.28
Suburban Cablevision Franchise Fee	A-13	200,000.00	170,930.03	(29,069.97)
Payment in Lieu of Taxes - Centerbridge I	A-13	90,000.00	97,012.29	7,012.29
Payment in Lieu of Taxes - Centerbridge II	A-13	85,000.00	102,523.74	17,523.74
Bridgewater Commons Rent and Royalty - In Lieu of Taxes	A-13	1,600,000.00	1,766,737.00	166,737.00
Host Benefit Fees	A-13	250,000.00	241,979.30	(8,020.70)
Capital Surplus	A-13	130,000.00	130,000.00	
Hotel and Motel Tax	A-13	680,000.00	772,869.55	92,869.55
Sale of Municipal Assets	A-19	180,000.00	180,000.00	
Summer Playground	A-13	91,000.00	82,690.00	(8,310.00)
Animal Shelter Contributions	A-13	18,767.11	18,767.11	
Reserve for OEM	A-26	31,000.00	31,000.00	
Debt Service Reimbursement - Reserve to Pay Debt	A-13	153,750.00	153,750.00	
Debt Service Reimbursement - Open Space Trust Fund	A-13	177,236.59	177,236.59	
<u>Total Miscellaneous Revenues</u>	A-1	\$ 12,449,227.57	\$ 13,566,701.87	\$ 711,929.99
Receipts From Delinquent Taxes	A-1	\$ 1,078,000.00	\$ 1,157,959.74	\$ 79,959.74
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-2	\$ 20,298,126.00	\$ 21,347,903.31	\$ 1,049,777.31
BUDGET TOTALS		\$ 36,942,212.88	\$ 39,189,424.23	\$ 1,841,667.04
Non-Budget Revenues	A-2		410,006.72	410,006.72
		\$ 36,942,212.88	\$ 39,599,430.95	\$ 2,251,673.76
REF.	A-3		A-3	

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

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2011

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collections	A-1:A-8	\$ 163,523,102.75
Allocated To:		
County Taxes	A-8	32,798,260.70
Regional School District Taxes	A-8	109,277,842.74
Special Fire District Taxes	A-8	2,199,096.00
		<u>\$ 144,275,199.44</u>
Balance for Support of Municipal Budget Appropriations		\$ 19,247,903.31
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,100,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 21,347,903.31</u>
Licenses - Other:		
Clerk		\$ 4,405.00
Health Officer		25,250.00
Registrar		546.00
Police Towing		<u>2,500.00</u>
	A-2:A-13	<u>\$ 32,701.00</u>
Other - Fees and Permits:		
Board of Health		\$ 7,006.00
Police		66,134.43
Clerk		681.24
Planning		14,898.77
Prosecutor		1,001.25
Registrar		10,394.00
Engineering		629.27
Tax Assessor		971.95
Board of Adjustment		19,526.00
Zoning		1,881.00
Tax Searches		10.00
Fire		<u>156,835.80</u>
Less: Refunds	A-13	\$ 279,969.71
	A-4	<u>100.00</u>
	A-2	<u>\$ 279,869.71</u>
Recreation Fees	A-13	\$ 131,530.00
Less: Refunds	A-4	<u>5,580.00</u>
	A-2	<u>\$ 125,950.00</u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2011

	<u>REF.</u>		
Uniform Construction Code Fees	A-13	\$	1,044,466.00
Less: Refunds	A-4		<u>4,793.40</u>
	A-2	\$	<u><u>1,039,672.60</u></u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:			
Bid Specs		\$	1,250.00
Road Openings			70.00
Township Escrow Fees			4,245.19
COAH Rent			1,920.00
JIF Award			578.80
Refund of Prior Year Expenses			12,320.15
Bad Check Fees			780.00
Police Outside Overtime Administrative Fees			92,011.81
Police Outside Overtime Car Usage			48,130.00
Senior Citizens & Veterans Administrative Fees			7,625.48
Refuse Revenue			11,781.00
DMV Inspection Fines			3,800.00
Tax Collector			15,410.79
Miscellaneous			<u>202,429.76</u>
	A-4		402,352.98
Excess Reserve for Animal Expenditures	A-12		<u>7,653.74</u>
<u>Total Non-Budget Revenue</u>	A-1:A-2	\$	<u><u>410,006.72</u></u>

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

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
MAYOR'S OFFICE:					
Salaries and Wages	\$ 60,525.51	\$ 62,525.51	\$ 62,170.62	\$ 354.89	\$
Other Expenses	3,401.00	3,401.00	1,514.88	1,886.12	
ADMINISTRATION:					
Salaries and Wages	125,291.86	123,291.86	122,247.05	1,044.81	
Other Expenses	33,313.00	33,313.00	15,518.18	17,794.82	
ECONOMIC DEVELOPMENT:					
Salaries and Wages	70,088.89	71,888.89	71,467.69	431.20	
Other Expenses	475.00	475.00	172.80	302.20	
TOWNSHIP COUNCIL:					
Salaries and Wages	21,760.00	22,750.00	22,335.10	414.90	
Other Expenses	6,395.00	6,395.00	5,760.87	634.13	
PERSONNEL OFFICE:					
Salaries and Wages	122,618.55	139,118.55	138,659.29	459.26	
Other Expenses	9,200.00	9,200.00	8,177.32	1,022.68	
PURCHASING DEPARTMENT:					
Salaries and Wages	84,234.77	74,234.77	71,286.84	2,947.93	
Other Expenses	25,150.00	25,150.00	23,375.52	1,774.48	
GRANTS ADMINISTRATION:					
Salaries and Wages	76,954.33	79,454.33	79,056.33	398.00	
Other Expenses	138.40	138.40	69.55	68.85	
TOWNSHIP CLERK:					
Salaries and Wages	153,603.95	143,603.95	142,780.89	823.06	
Other Expenses	18,950.00	20,150.00	19,800.12	349.88	
ELECTIONS:					
Other Expenses	14,600.00	14,600.00	12,454.45	2,145.55	
FINANCE DIRECTOR'S OFFICE:					
Salaries and Wages	80,743.79	83,244.79	82,960.86	283.93	
Other Expenses	3,065.00	3,065.00	3,026.28	38.72	
DIVISION OF TREASURY:					
Salaries and Wages	100,623.75	100,623.75	96,509.66	4,114.09	
Other Expenses	51,335.00	51,335.00	44,142.63	7,192.37	
Audit	50,000.00	50,000.00	49,125.00	875.00	
TAX COLLECTION:					
Salaries and Wages	82,913.56	84,413.56	84,204.56	209.00	
Other Expenses	25,377.50	25,377.50	20,049.02	5,328.48	
TAX ASSESSMENT:					
Salaries and Wages	153,642.66	158,742.66	151,905.32	4,837.34	
Other Expenses	76,650.00	76,650.00	68,071.17	8,578.83	
Reassessment Program	100,000.00	100,000.00	89,016.00	10,984.00	
LEGAL OFFICE:					
Salaries and Wages	13,000.00	13,000.00	11,453.54	1,546.46	
Other Expenses	410,000.00	760,000.00	671,558.20	88,441.80	
INSURANCE:					
Employee Group Insurance	4,189,879.62	4,042,379.62	3,930,372.17	112,007.45	
Other Insurance Premiums	670,205.00	670,205.00	670,205.00		
ENGINEERING DIRECTOR'S OFFICE:					
Salaries and Wages	49,038.46	52,638.46	52,217.66	420.80	
ENGINEERING:					
Salaries and Wages	91,421.57	99,821.57	99,501.58	319.99	
Other Expenses	9,065.00	9,065.00	7,527.28	1,537.72	
BOARD OF ADJUSTMENT/ZONING:					
Salaries and Wages	20,000.00	20,000.00	14,573.20	5,426.80	
Other Expenses	21,245.00	21,245.00	21,167.00	78.00	
DIVISION OF PLANNING:					
Salaries and Wages	55,339.54	56,339.54	51,110.80	5,228.74	
Other Expenses	63,570.00	63,570.00	61,533.92	2,036.08	
PLANNING BOARD:					
Other Expenses	25,025.00	25,025.00	22,683.67	2,341.33	
POLICE:					
Salaries and Wages	8,581,413.85	8,581,413.85	8,523,723.94	57,689.91	
Other Expenses	241,260.50	241,260.50	231,802.15	9,458.35	
Vehicle Purchase		132,000.00	131,297.50	702.50	
OFFICE OF EMERGENCY MANAGEMENT:					
Salaries and Wages	7,400.00	7,400.00		7,400.00	
Other Expenses	2,730.00	2,730.00	1,383.95	1,346.05	
FIRE SAFETY:					
Salaries and Wages	151,878.95	153,378.95	152,473.67	905.28	
Other Expenses	100.00	100.00		100.00	
FIRE HYDRANT SERVICES:					
Other Expenses	875,000.00	875,000.00	859,430.88	15,569.12	
FIRST AID ORGANIZATION CONTRIBUTION:					
Other Expenses	50,000.00	50,000.00	50,000.00		
MUNICIPAL COURT:					
Salaries and Wages	309,209.18	316,709.18	309,175.99	7,533.19	
Other Expenses	38,225.00	38,225.00	38,224.22	0.78	
PUBLIC DEFENDER:					
Other Expenses	20,000.00	20,000.00	15,000.00	5,000.00	
ROAD REPAIRS AND MAINTENANCE:					
Salaries and Wages	1,626,729.34	1,703,028.34	1,683,111.72	19,916.62	
Other Expenses	366,800.00	516,800.00	510,194.27	6,605.73	

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
VEHICLE MAINTENANCE:					
Salaries and Wages	\$ 273,368.67	\$ 273,368.67	\$ 271,784.66	\$ 1,584.01	\$
Other Expenses	132,400.00	137,400.00	135,291.27	2,108.73	
RECYCLING:					
Other Expenses	325,000.00	325,000.00	319,347.53	5,652.47	
SNOW REMOVAL:					
Salaries and Wages	157,702.12	157,702.12	89,066.20	68,635.92	
Other Expenses	289,056.63	289,056.63	289,001.33	55.30	
CONTRACT WITH REGIONAL BOARD OF EDUCATION FOR TRANSPORTATION OF LOCAL PUPILS (N.J.S. 18a:39-1.2)	272,584.00	272,584.00		272,584.00	
PARK MAINTENANCE:					
Salaries and Wages	705,389.31	770,389.31	745,730.36	24,658.95	
Other Expenses	80,132.00	80,132.00	77,327.73	2,804.27	
MUNICIPAL SERVICES REIMBURSEMENT-CONDOMINIUMS					
Other Expenses	61,000.00	61,000.00	22,116.97	38,883.03	
PUBLIC BUILDINGS AND GROUNDS:					
Salaries and Wages	189,147.49	205,147.49	201,303.32	3,844.17	
Other Expenses	209,300.00	209,300.00	205,661.66	3,638.34	
DIRECTOR'S OFFICE:					
Salaries and Wages	92,724.65	96,224.65	95,624.53	600.12	
Other Expenses	450.00	450.00	400.00	50.00	
DIVISION OF HEALTH:					
Salaries and Wages	188,638.32	190,638.32	190,414.77	223.55	
Other Expenses	10,125.00	10,125.00	8,162.45	1,962.55	
ADMINISTRATION OF PUBLIC ASSISTANCE:					
Salaries and Wages	61,402.11	61,402.11	60,693.38	708.73	
Other Expenses	100.00	100.00		100.00	
VISITING NURSES SERVICES - CONTRIBUTION CONTRIBUTION TO SOMERSET REGIONAL CENTER PARTNERSHIP	12,100.00	12,100.00	12,100.00		
ENVIRONMENTAL COMMISSION (N.J.S. 40:56a-1 et seq):					
Other Expenses	530.00	530.00	390.00	140.00	
SENIOR CITIZEN SERVICES:					
Salaries and Wages	98,890.37	99,090.37	99,090.37		
Other Expenses	21,825.00	21,825.00	15,942.77	5,882.23	
DIVISION OF RECREATION:					
Salaries and Wages	385,746.59	385,746.59	378,358.39	7,388.20	
Other Expenses	101,190.00	101,190.00	87,063.64	14,126.36	
BRANCH LIBRARY:					
Other Expenses	262,244.75	262,244.75	244,488.65	17,756.10	
GREEN BROOK FLOOD CONTROL:					
Other Expenses	2,500.00	2,500.00	1,388.09	1,111.91	
STATE UNIFORM CONSTRUCTION CODE CODE OFFICIAL:					
Salaries and Wages	430,492.68	495,001.68	488,610.05	6,391.63	
Other Expenses	175,567.40	193,567.40	130,164.78	63,402.62	
STREET LIGHTING	350,000.00	350,000.00	165,524.51	184,475.49	
TELEPHONE SERVICE	190,000.00	190,000.00	97,174.72	92,825.28	
CENTRAL OFFICE SUPPLY	20,000.00	20,000.00	19,984.34	15.66	
UTILITIES	750,000.00	850,000.00	788,131.12	51,868.88	
POSTAGE	40,000.00	40,000.00	33,913.18	6,086.82	
SALARY SETTLEMENTS AND ADJUSTMENTS	164,500.00	164,500.00	150,000.00	14,500.00	
TOTAL OPERATIONS WITHIN "CAPS"	\$ 25,493,684.62	\$ 26,360,793.62	\$ 25,039,821.08	\$ 1,320,972.54	\$
CONTINGENT	\$ 5,000.00	\$ 5,000.00	\$	\$ 5,000.00	\$
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	\$ 25,498,684.62	\$ 26,365,793.62	\$ 25,039,821.08	\$ 1,325,972.54	\$
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"					
DEFERRED CHARGES					
Emergency- Health Insurance	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$	\$
Prior Year Bills - Somerset County Recycling	5,652.47	5,652.47	5,652.47		
CONTRIBUTION TO:					
Social Security System (O.A.S.I.)	1,148,562.79	1,158,562.79	1,154,810.99	3,751.80	
DCRP	2,000.00	2,000.00	1,087.17	912.83	
Pension Firemen's Widows	6,000.00	6,000.00	5,416.66	583.34	
Police & Firemen's Retirement System of NJ	2,093,572.00	2,093,572.00	2,093,572.00		
Unemployment Compensation Insurance	367,996.80	284,896.80	110,000.00	154,896.80	
Public Employees' Retirement System of NJ	952,450.00	952,450.00	952,450.00		
TOTAL DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	\$ 4,676,234.06	\$ 4,583,134.06	\$ 4,422,989.29	\$ 160,144.77	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	\$ 30,174,918.68	\$ 30,948,927.68	\$ 29,462,810.37	\$ 1,486,117.31	\$

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
OPERATIONS EXCLUDED FROM "CAPS"					
Stormwater Permit	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$	\$
Length of Service Award Program	98,050.00	98,050.00	98,048.88	1.12	
SNOW REMOVAL:					
Salaries and Wages	42,297.88	42,297.88	42,297.88		
Other Expenses	50,943.37	50,943.37	50,943.37		
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	\$ 200,291.25	\$ 200,291.25	\$ 200,290.13	\$ 1.12	\$
DOG REGULATION	\$ 221,358.00	\$ 221,358.00	\$ 221,358.00	\$	\$
BRANCH LIBRARY:					
Salaries and Wages	138,799.00	138,799.00	138,266.26	532.74	
Other Expenses	10,155.25	10,155.25	3,819.98	6,335.27	
Insurance - Employee Group Insurance	135,466.38	135,466.38	89,057.14	46,409.24	
Social Security	16,213.08	16,213.08	15,279.67	933.41	
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES					
Municipal Alliance Program					
State Aid (N.J.S.A. 40A: 4-87 +\$39,673.00)		39,673.00	39,673.00		
Matching Funds for Grants	9,918.00	9,918.00	9,918.00		
Clean Communities Program					
Other Expenses (N.J.S.A. 40A: 4-87 +\$75,732.58)		75,732.58	75,732.58		
Safe and Secure Communities Program					
State Aid	56,168.00	56,168.00	56,168.00		
Matching Funds for Grants	110,871.00	110,871.00	110,871.00		
Supplemental Fire Services Program Fire District					
Other Expenses	11,859.00	11,859.00	11,859.00		
Drunk Driving Enforcement Fund					
Other Expenses	20,679.41	20,679.41	20,679.41		
Over Limit Under Arrest (N.J.S.A. 40A: 4-87 +\$4,400.00)	5,000.00	9,400.00	9,400.00		
Bulletproof Vest Partnership Grant (N.J.S.A. 40A: 4-87+\$2,700.00)		2,700.00	2,700.00		
NJDOT Municipal Aid Program (N.J.S.A. 40A:4-87 +\$150,000)		150,000.00	150,000.00		
Recycling Tonnage Grant	76,754.83	76,754.83	76,754.83		
Somerset County Youth Athletic & Recreation	14,976.92	14,976.92	14,976.92		
Highway Traffic Safety Program (N.J.S.A. 40A:4-87+\$112,890.17)		112,890.17	112,890.17		
Alcohol Education Rehabilitation Program (N.J.S.A. 40A:4-87 +\$6,148.56)		6,148.56	6,148.56		
H1N1 Grant	10,000.00	10,000.00	10,000.00		
Child Passenger Safety (N.J.S.A. 40A: 4-87 +\$4,000.00)	4,000.00	8,000.00	8,000.00		
Youth Development Program	5,000.00	5,000.00	5,000.00		
Emergency Management (N.J.S.A. 40A: 4-87 +\$10,000.00)		10,000.00	10,000.00		
TOTAL FOR STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES	\$ 847,218.87	\$ 1,252,763.18	\$ 1,198,552.52	\$ 54,210.66	\$
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	\$ 1,047,510.12	\$ 1,453,054.43	\$ 1,398,842.65	\$ 54,211.78	\$

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
		BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$	
Finance - Computer Equipment	15,000.00	15,500.00	15,350.14	149.86	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	\$ 115,000.00	\$ 115,500.00	\$ 115,350.14	\$ 149.86	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	\$ 1,340,000.00	1,340,000.00	1,340,000.00	\$	
Payment of Bond Anticipation Notes	250,000.00	250,000.00	250,000.00		
Interest on Bonds	1,375,792.50	1,375,792.50	1,375,792.50		
Interest on Notes	132,000.00	132,000.00	131,633.33		366.67
Green Acres Loan Principle	118,920.00	118,920.00	118,917.27		2.73
Green Acres Loan Interest	20,270.00	20,270.00	20,269.50		0.50
Payment of NJEIT Principal	52,882.00	52,882.00	52,881.48		0.52
Payment of NJEIT Interest	17,950.00	17,950.00	16,732.34		1,217.66
Improvement Authority	196,969.58	196,969.58	196,154.45		815.13
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	\$ 3,504,784.08	\$ 3,504,784.08	\$ 3,502,380.87	\$	\$ 2,403.21
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 4,667,294.20	\$ 5,073,338.61	\$ 5,018,673.66	\$ 54,361.64	\$ 2,403.21
SUBTOTAL GENERAL APPROPRIATIONS	\$ 34,842,212.88	\$ 36,022,266.19	\$ 34,479,384.03	\$ 1,540,478.95	\$ 2,403.21
RESERVE FOR UNCOLLECTED TAXES	\$ 2,100,000.00	\$ 2,100,000.00	\$ 2,100,000.00	\$	\$
TOTAL GENERAL APPROPRIATIONS	\$ 36,942,212.88	\$ 38,122,266.19	\$ 36,579,384.03	\$ 1,540,478.95	\$ 2,403.21
	<u>REF.</u>	A-2:A-3	A-3	A-1:A-3	A:A-1
Budget	A-3		\$ 36,942,212.88		
Emergency - N.J.S.A. 40A:4-46	A-30		774,509.00		
Appropriation by 40A:4-87	A-2		405,544.31		
	A-3		<u>\$ 38,122,266.19</u>		
Reserve for Accounts Payable	A-11			\$ 645,074.63	
Reserve for Grants Appropriated	A-23			598,123.47	
Deferred Charges	A-30			100,000.00	
Reserve for Uncollected Taxes	A-2			2,100,000.00	
Disbursements (net of refunds)	A-4			33,136,185.93	
	A-3			<u>\$ 36,579,384.03</u>	

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

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TRUST FUND

TOWNSHIP OF BRIDGEWATERTRUST FUNDBALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>BALANCE DECEMBER 31, 2010</u>
Assessment Fund:			
Cash	B-2:B-5	\$ 43,834.42	\$ 43,834.42
Assessments Receivable	B-3	87,088.60	87,088.60
Prospective Assessments Funded	B-4	408,863.19	408,863.19
		<u>\$ 539,786.21</u>	<u>\$ 539,786.21</u>
Animal Control Fund:			
Cash	B-2	\$ 34,991.34	\$ 23,198.74
		<u>\$ 34,991.34</u>	<u>\$ 23,198.74</u>
Other Funds:			
Cash	B-2	\$ 20,627,327.57	\$ 25,448,748.41
Due Current Fund	B-17	749,296.20	747,015.62
Due General Capital Fund	B-6		500,000.00
Due Sewer Operating Fund	B-18	19.00	
		<u>\$ 21,376,642.77</u>	<u>\$ 26,695,764.03</u>
		<u>\$ 21,951,420.32</u>	<u>\$ 27,258,748.98</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Assessment Overpayments	B-7	\$ 1,000.00	\$ 1,000.00
Reserve for Assessments and Liens	B-10	495,754.52	495,754.52
Fund Balance	B-1	43,031.69	43,031.69
		<u>\$ 539,786.21</u>	<u>\$ 539,786.21</u>
Animal Control Fund:			
Due State Department of Health	B-14	\$ 2.40	\$ 5.40
Due Current Fund	B-16	7,653.74	
Reserve For Expenditures	B-13	26,049.20	22,756.34
Accounts Payable	B-15	1,286.00	437.00
		<u>\$ 34,991.34</u>	<u>\$ 23,198.74</u>
Other Funds:			
Accounts Payable	B-9	\$ 1,978,566.94	\$ 4,751,980.42
Reserve for State Unemployment Insurance	B-8	5,454.74	6,999.80
Due General Capital Fund	B-6	107.16	
Reserve for Various Trust Deposits	B-12	10,256,266.89	10,539,514.59
Reserve for Municipal Open Space Trust Deposits	B-11	9,136,247.04	11,397,269.22
		<u>\$ 21,376,642.77</u>	<u>\$ 26,695,764.03</u>
		<u>\$ 21,951,420.32</u>	<u>\$ 27,258,748.98</u>

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

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF ASSESSMENT TRUST FUND BALANCE - REGULATORY BASIS

REF.

Balance, December 31, 2010
and December 31, 2011

B

\$ 43,031.69

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

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GENERAL CAPITAL FUND

TOWNSHIP OF BRIDGE WATERGENERAL CAPITAL FUNDBALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>BALANCE DECEMBER 31, 2010</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 7,105,840.35	\$ 234,428.26
Due Open Space Trust Fund	C-10	107.16	
Due Sewer Utility Operating Fund	C-8	99.68	
Deferred Charges to Future Taxation:			
Funded	C-5	37,472,410.05	38,932,044.69
Unfunded	C-6	21,865,265.95	19,984,650.95
		<u>\$ 66,443,723.19</u>	<u>\$ 59,151,123.90</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-11	\$ 35,602,000.00	\$ 36,942,000.00
Bond Anticipation Notes	C-12	16,024,534.00	6,600,000.00
Green Acres Loans Payable	C-15	924,141.08	1,043,058.34
Infrastructure Loan Payable	C-13	593,034.53	645,916.01
Improvement Authority Loans Payable	C-17	353,234.44	301,070.34
Capital Improvement Fund	C-7	157,318.30	169,453.30
Due Open Space Trust Fund	C-10		500,000.00
Improvement Authorizations:			
Funded	C-9	661,531.18	644,433.87
Unfunded	C-6:C-9	7,493,564.79	7,938,754.27
Reserve for:			
Capital Projects	C-4	1,638,508.75	1,638,508.75
Debt Service	C-14	101,900.16	252,317.66
Contracts Payable	C-16	2,554,646.66	2,139,456.12
Fund Balance	C-1	339,309.30	336,155.24
		<u>\$ 66,443,723.19</u>	<u>\$ 59,151,123.90</u>

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

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 336,155.24
Increased by:		
Premium on Note	C-2	<u>133,154.06</u>
		469,309.30
Decreased by-		
Utilized as Anticipated Revenue Current Fund	C-2	<u>130,000.00</u>
Balance, December 31, 2011	C	<u>\$ 339,309.30</u>

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

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SEWER UTILITY FUND

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>BALANCE DECEMBER 31, 2010</u>
OPERATING FUND:			
Cash	D-6	\$ 6,646,778.40	\$ 4,780,728.94
Change Fund	D-9	100.00	100.00
Interfund Accounts Receivable	D-11	46.30	1,773.38
Deferred Charges	D-36	<u>23,000.00</u>	<u> </u>
		<u>\$ 6,669,924.70</u>	<u>\$ 4,782,602.32</u>
Receivables with Full Reserves:			
Sewer Charges Receivable	D-14	\$ 599,988.06	\$ 356,896.54
Sewer Utility Liens	D-28	<u> </u>	<u>874.18</u>
	D	<u>\$ 599,988.06</u>	<u>\$ 357,770.72</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 7,269,912.76</u>	<u>\$ 5,140,373.04</u>
ASSESSMENT TRUST FUND:			
Cash	D-6:D-7	\$ 11,438.96	\$ 11,432.42
Assessments Receivable	D-18	53,975.86	53,975.86
Prospective Assessments Funded	D-21	<u>941,462.58</u>	<u>941,462.58</u>
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 1,006,877.40</u>	<u>\$ 1,006,870.86</u>
CAPITAL FUND - REGULAR:			
Cash	D-6:D-8	\$ 251,987.59	\$ 287,878.77
EIT Loan Receivable	D-33	88,677.00	341,779.00
Due Sewer Operating Fund	D-32	<u> </u>	<u>16,796.77</u>
Fixed Capital	D-17	14,461,212.00	14,461,212.00
Fixed Capital Authorized and Uncompleted	D-16	<u>2,834,500.00</u>	<u>2,834,500.00</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 17,636,376.59</u>	<u>\$ 17,942,166.54</u>
	D	<u>\$ 25,913,166.75</u>	<u>\$ 24,089,410.44</u>

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
OPERATING FUND:			
Liabilities:			
Interfund Account Payable	D-11	\$ 26,726.50	\$ 16,796.77
Appropriation Reserves	D-5;D-20	1,472,587.99	1,321,843.72
Accounts Payable	D-19	803,199.00	177,429.80
Sewer Overpayments	D-22	57,881.55	65,752.15
Due Warren Township MUA	D-10	24,188.06	24,188.06
Sewer Connection Overpayment	D-13	550.00	550.00
Prepaid Sewer Charges	D-27	8,476.00	10,762.12
Accrued Interest on Bonds	D-12	34,151.32	34,570.61
Accrued Interest on Loans	D-34	3,125.00	3,125.00
		<u>\$ 2,430,885.42</u>	<u>\$ 1,655,018.23</u>
Reserve for Receivables	D	599,988.06	357,770.72
Fund Balance	D-1	<u>4,239,039.28</u>	<u>3,127,584.09</u>
		<u>\$ 7,269,912.76</u>	<u>\$ 5,140,373.04</u>
<u>TOTAL OPERATING FUND</u>			
ASSESSMENT TRUST FUND:			
Due Sewer Operating Fund	D-23	\$ 46.30	\$ 39.76
Reserve for Assessments and Liens	D-15	995,438.44	995,438.44
		<u>\$ 995,484.74</u>	<u>\$ 995,478.20</u>
Fund Balance	D-2	<u>11,392.66</u>	<u>11,392.66</u>
		<u>\$ 1,006,877.40</u>	<u>\$ 1,006,870.86</u>
<u>TOTAL ASSESSMENT TRUST FUND</u>			

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

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY FUND
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)</u>			
CAPITAL FUND - REGULAR:			
Liabilities:			
Serial Bonds Payable	D-30	\$ 929,000.00	\$ 1,024,000.00
EIT Loan Payable	D-31	663,169.20	695,567.48
Improvement Authorizations:			
Funded	D-29	190,071.07	262,183.07
Unfunded	D-29	587,749.57	587,749.57
Contracts Payable	D-26	131,138.58	364,816.53
Reserve for Amortization	D-25	13,609,269.93	13,481,871.65
Deferred Reserve for Amortization	D-24	<u>1,456,450.00</u>	<u>1,456,450.00</u>
		\$ 17,566,848.35	\$ 17,872,638.30
Fund Balance	D-3	<u>69,528.24</u>	<u>69,528.24</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 17,636,376.59</u>	<u>\$ 17,942,166.54</u>
	D	<u>\$ 25,913,166.75</u>	<u>\$ 24,089,410.44</u>

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2010
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance	D-1:D-4	\$ 308,352.10	\$ 413,307.00
Sewer Use Charges	D-4	9,555,393.14	10,006,488.40
Connection Fees	D-4:D-13	18,700.00	93,500.00
Township of Branchburg - Operating Costs	D-4:D-6	20,000.00	20,000.00
Township of Warren - Debt Service	D-4:D-6	73,350.34	73,350.34
Interest on Investments and Deposits	D-4:D-6	20,446.59	19,760.84
Miscellaneous Revenue Not Anticipated	D-4:D-6	150,485.63	156,973.67
Sewer Overpayments Canceled	D-22	9.92	
Other Credits to Income:			
Deferred Charges	D-36	23,000.00	
Unexpended Balance of Appropriation Reserves	D-20	1,198,097.14	1,141,692.15
Accounts Payable Canceled	D-19	33,186.79	121,026.73
		<u>11,401,021.65</u>	<u>12,046,099.13</u>
<u>TOTAL INCOME</u>			
<u>EXPENDITURES</u>			
Operating	D-5	\$ 9,654,159.10	\$ 9,443,816.79
Capital Improvements	D-5		82,000.00
Debt Service	D-5	177,268.28	164,661.52
Deferred Charges and Statutory Expenditures	D-5	145,000.00	143,438.00
Refund of Prior Year Revenue	D-6	3,597.35	
Miscellaneous Revenue Not Anticipated	D-6	1,189.63	
		<u>9,981,214.36</u>	<u>9,833,916.31</u>
<u>TOTAL EXPENDITURES</u>			
Excess in Revenue		\$ 1,419,807.29	\$ 2,212,182.82
Balance, January 1	D	3,127,584.09	1,328,708.27
		<u>4,547,391.38</u>	<u>3,540,891.09</u>
Decreased by:			
Utilization by Sewer Operating Budget	D-1	308,352.10	413,307.00
Fund Balance, December 31	D	<u>4,239,039.28</u>	<u>3,127,584.09</u>

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF ASSESSMENT TRUST FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>11,392.66</u>

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

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>69,528.24</u>

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

TOWNSHIP OF BRIDGEWATERSEWER UTILITY FUNDSTATEMENT OF REVENUES - REGULATORY BASISYEAR ENDED DECEMBER 31, 2011

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	D-1	\$ 308,352.10	\$ 308,352.10	\$
Sewer Use Charges	D-1	9,500,000.00	9,555,393.14	55,393.14
Connection Fees	D-1:D-13	35,000.00	18,700.00	(16,300.00)
Interest on Investments and Deposits	D-1:D-6	19,000.00	20,446.59	1,446.59
Township of Branchburg- Share of Operating Costs	D-1:D-6	20,000.00	20,000.00	
Township of Warren- Contribution	D-1:D-6	72,300.00	73,350.34	1,050.34
		<u> </u>	<u> </u>	<u> </u>
<u>BUDGET TOTALS</u>	D-5	\$ 9,954,652.10	\$ 9,996,242.17	\$ 41,590.07
Non - Budget Revenue	D-1:D-4:D-6		150,485.63	150,485.63
		<u> </u>	<u> </u>	<u> </u>
		\$ 9,954,652.10	\$ 10,146,727.80	\$ 192,075.70
<u>ANALYSIS OF NON-BUDGET REVENUE:</u>				
Miscellaneous:				
Interest on Sewer Charges			\$ 123,078.10	
Miscellaneous			27,407.53	
			<u> </u>	
	D-1:D-4:D-6		\$ 150,485.63	

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
OPERATING:					
Salaries and Wages	\$ 1,443,181.60	\$ 1,596,181.60	\$ 1,520,412.28	\$ 75,769.32	\$
Other Expenses	2,587,977.50	2,557,977.50	2,201,767.40	356,210.10	
Somerset Raritan Valley Sewerage Authority	5,600,000.00	5,500,000.00	4,490,923.92	1,009,076.08	
TOTAL OPERATING	\$ 9,631,159.10	\$ 9,654,159.10	\$ 8,213,103.60	\$ 1,441,055.50	\$
DEBT SERVICE:					
Payment of Bond Principal	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00	\$	\$
Interest on Bonds	40,049.00	40,049.00	40,049.00		
NJEITF Principal	32,399.00	32,399.00	32,398.28		0.72
NJEITF Interest	11,045.00	11,045.00	9,821.00		1,224.00
TOTAL DEBT SERVICE	\$ 178,493.00	\$ 178,493.00	\$ 177,268.28	\$	\$ 1,224.72
STATUTORY EXPENDITURES:					
Statutory Expenditures:					
Social Security	\$ 115,000.00	\$ 115,000.00	\$ 113,467.51	\$ 1,532.49	\$
Unemployment Compensation Insurance	30,000.00	30,000.00		30,000.00	
TOTAL STATUTORY EXPENDITURES	\$ 145,000.00	\$ 145,000.00	\$ 113,467.51	\$ 31,532.49	\$
	\$ 9,954,652.10	\$ 9,977,652.10	\$ 8,503,839.39	\$ 1,472,587.99	\$ 1,224.72

REF. D-4 D-1 D:D-1

Disbursements	D-6	\$ 7,668,271.18
Accrued Interest on Bonds	D-12	40,049.00
Accounts Payable	D-19	795,519.21
		\$ 8,503,839.39

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

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PUBLIC ASSISTANCE TRUST FUND

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TOWNSHIP OF BRIDGEWATER
PUBLIC ASSISTANCE TRUST FUND
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
<u>ASSETS</u>			
Cash - Public Assistance Trust Fund I	E-1	\$ 6,363.47	\$ 5,146.30
Cash - Public Assistance Trust Fund II	E-1	<u>151,562.59</u>	<u>136,004.14</u>
		<u>\$ 157,926.06</u>	<u>\$ 141,150.44</u>
<u>LIABILITIES</u>			
Reserve for Public Assistance Trust Fund I		\$ 4,573.07	\$ 5,146.30
Reserve for Public Assistance Trust Fund II		<u>153,352.99</u>	<u>136,004.14</u>
		<u>\$ 157,926.06</u>	<u>\$ 141,150.44</u>

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

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF BRIDGEWATER
STATEMENT OF GENERAL FIXED ASSETS
BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
FIXED ASSETS		
Land	\$ 108,498,338.00	\$ 107,443,038.00
Buildings	42,443,000.00	42,423,000.00
Machinery and Equipment	<u>11,009,414.00</u>	<u>10,889,983.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 161,950,752.00</u>	<u>\$ 160,756,021.00</u>
RESERVE		
Investments in General Fixed Assets	<u>\$ 161,950,752.00</u>	<u>\$ 160,756,021.00</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BRIDGEWATER

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Bridgewater is an instrumentality of the State of New Jersey established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Bridgewater include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Bridgewater, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Bridgewater do not include the operations of the municipal library, first aid organization, volunteer fire companies, or the regional school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the

The accounting policies of the Township of Bridgewater 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 financial transactions and accounts of the Township of Bridgewater are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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 of 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.

Sewer Operating and Capital Funds – account for the operations and acquisition of capital facilities of the municipally-owned sewer utility.

Public Assistance Fund – receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group – utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

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 governmental units. The more significant accounting policies and differences in the State of New Jersey 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. Federal and state grants are realized as revenue when anticipated in the Township's 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. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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 Township's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st 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.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

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. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

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. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Township's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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.

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 is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

The Township of Bridgewater had the following cash and cash equivalents at December 31, 2011:

	<u>Change</u> <u>Fund</u>	<u>Cash in</u> <u>Bank</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reconciled</u> <u>Balance</u>
Cuurent Fund	\$410.00	\$9,303,801.26	\$116,168.36	\$207,639.56	\$9,212,330.06
Grant Fund		184,591.84		95,732.54	88,859.30
Assessment Fund		48,834.42			48,834.42
Animal Contol Fund		35,005.14		13.80	34,991.34
Trust Other Fund		20,716,635.54	2,938.43	92,246.40	20,627,327.57
General Capital Fund		7,109,665.35		3,825.00	7,105,840.35
Sewer Operating Fund	100.00	6,689,953.06	22,134.66	65,309.32	6,646,778.40
Sewer Assessment Fund		11,438.96			11,438.96
Sewer Capital Fund		251,987.59			251,987.59
Public Assistance Fund		177,582.78	676.00	20,332.72	157,926.06
	<u>\$510.00</u>	<u>\$44,529,495.94</u>	<u>\$141,917.45</u>	<u>\$485,099.34</u>	<u>\$44,186,314.05</u>

Custodial Credit Rick – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2011, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$1,446,861.08 was covered by Federal Depository Insurance and \$43,082,634.86 was covered by NJ GUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

- 8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Bridgewater's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF REGULATORY 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 regulatory next debt of 0.60%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 47,203,289.78	\$ 47,203,289.78	\$
Sewer Utility Debt	2,229,992.07	2,229,992.07	
General Debt	<u>58,984,441.56</u>	<u>101,900.16</u>	<u>58,882,541.40</u>
	<u>\$ 108,417,723.41</u>	<u>\$ 49,535,182.01</u>	<u>\$ 58,882,541.40</u>

Net debt of \$58,882,541.40 divided by equalized valuation basis per N.J.S.40A:2-2, as amended, of \$9,753,952,123.33 equals 0.60%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2011</u>	<u>YEAR 2010</u>	<u>YEAR 2009</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 53,143,709.61	\$ 45,926,541.83	\$ 44,275,207.56
Sewer Utility:			
Bonds and Notes	<u>1,592,169.20</u>	<u>1,024,000.00</u>	<u>1,119,000.00</u>
Total Issued	<u>\$ 54,735,878.81</u>	<u>\$ 46,950,541.83</u>	<u>\$ 45,394,207.56</u>
Less:			
Reserve for Debt Service	<u>\$ 101,900.16</u>	<u>\$ 246,153.30</u>	<u>\$ 389,740.00</u>
Total Deductions	<u>\$ 101,900.16</u>	<u>\$ 246,153.30</u>	<u>\$ 389,740.00</u>
Net Debt Issued	<u>\$ 54,633,978.65</u>	<u>\$ 46,704,388.53</u>	<u>\$ 45,004,467.56</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	\$ 5,840,731.95	\$ 19,984,650.95	\$ 19,607,096.03
Sewer Utility:			
Bonds and Notes	<u>637,822.87</u>	<u>637,822.87</u>	<u>1,351,655.87</u>
Total Authorized But Not Issued	<u>\$ 6,478,554.82</u>	<u>\$ 20,622,473.82</u>	<u>\$ 20,958,751.90</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 61,112,533.47</u>	<u>\$ 67,326,862.35</u>	<u>\$ 65,963,219.46</u>

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2011	<u>\$ 9,753,952,123.33</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 341,388,324.32
Net Debt	<u>58,882,541.40</u>
Remaining Borrowing Power	<u>\$ 282,505,782.92</u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Township of Bridgewater for the last three (3) preceding years.

NOTE 3: LONG-TERM DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE"
SEWER UTILITY PER N.J.S.40A:2-45

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 9,996,235.63
Deductions:		
Operating and Maintenance Cost	\$ 9,799,159.10	
Debt Service per Sewer Account	<u>177,268.28</u>	
Total Deductions		<u>9,976,427.38</u>
Excess in Revenue		\$ <u>19,808.25</u>

Long-Term Debt Obligations:

General Serial Bonds:

\$11,145,000.00 General Obligation Bonds of 2003 due in annual installments of \$400,000.00 to \$635,000.00 through 2022 at a variable interest rate	\$7,035,000.00
\$7,992,000.00 General Obligation Bonds of 2007 due in annual installments of \$375,000.00 to \$700,000.00 through 2022 at a variable interest rate	6,442,000.00
\$22,500,000.00 County Guaranteed Governmental Loan Revenue Bonds of 2010 due in annual installments of \$100,000.00 to \$1,100,000.00 through 2035 at a variable Interest rate	<u>22,125,000.00</u>
	<u>\$35,602,000.00</u>

Sewer Utility Serial Bonds:

\$901,000.00 General Obligation Bonds of 2003 due in annual installments of \$35,000.00 to \$60,000.00 through 2022 at a variable interest rate	\$536,000.00
\$508,000.00 General Obligation Bonds of 2007 due in annual installments of \$20,000.00 to \$37,000.00 through 2022 at a variable interest rate	<u>393,000.00</u>
	<u>\$929,000.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Improvement Authority Loan:

\$44,541.00 Improvement Authority Loan of 2008 due in monthly installments through 2012 at an interest rate of 3.27%	\$ 10,263.95
\$53,408.80 Improvement Authority Loan of 2008 due in monthly installments through 2013 at an interest rate of 3.34%	22,562.24
\$77,246.82 Improvement Authority Loan of 2009 due in monthly installments through 2014 at an interest rate of 2.75%	24,656.35
\$181,000.08 Improvement Authority Loan of 2009 due in monthly installments through 2012 at an interest rate of 2.74%	62,642.89
\$139,218.40 Improvement Authority Loan of 2011 due in monthly installments through 2014 at an interest rate of 2.75%	139,218.40
\$93,890.61 Improvement Authority Loan of 2011 due in monthly installments through 2016 at an interest rate of 2.75%	<u>93,890.61</u>
	<u>\$353,234.44</u>

New Jersey Environmental Infrastructure Loans:

\$528,286.00 2001A Fund Loan Agreement of 2001 due in semi-annual installments of \$616.70 to \$27,199.86 through 2021	\$263,034.53
\$515,000.00 2001A Trust Loan Agreement of 2001 due in annual installments of \$20,000.00 to \$40,000.00 through 2021 at a variable interest rate	<u>330,000.00</u>
	<u>\$593,034.53</u>

Green Trust Loans:

\$150,000.00 Tullo Road Soccer Complex Loan of 1996 due in semi-annual installments of \$4,112.29 to \$4,821.99 through 2014 at an interest rate of 2.00%	\$23,637.21
\$412,300.00 Harry Ally Park Addition Loan of 1998 due in semi-annual installments of \$13,898.40 to \$15,817.67 through 2012 at an interest rate of 2.00%	31,478.71

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Green Trust Loans (Continued):

\$500,000.00 Prince Rodgers Park Loan of 2002 due in semi-annual installments of \$11,306.52 to \$15,391.88 through 2021 at an interest rate of 2.00%	\$280,532.51
\$363,642.00 Prince Rodgers Park Loan of 2005 due in semi-annual installments of \$9,543.62 to \$12,863.36 through 2021 at an interest rate of 2.00%	223,800.25
\$400,000.00 Alfred S. Brown Park Loan of 2002 due in semi-annual installments of \$9,045.22 to \$12,313.50 through 2021 at an interest rate of 2.00%	224,426.00
\$250,000.00 YMCA Land Acquisition Loan of 2002 due in semi-annual installment of \$5,653.26 to \$7,695.94 through 2021 at an interest rate of 2.00%	<u>140,266.40</u>
	<u>\$924,141.08</u>

Bond Anticipation Notes:

\$6,350,000.00 Bond Anticipation Note in the General Capital Fund, issued 8/10/11 and maturing 4/19/12, at an interest rate of 1.25%

\$9,674,534.00 Bond Anticipation Note in the General Capital Fund, issued 4/20/11 and maturing 4/19/12, at an interest rate of 1.50%

Bonds and Notes Authorized but not Issued:

There is \$5,840,731.95 General Capital and \$637,822.87 Sewer Capital Bonds and Notes Authorized but not Issued at December 31, 2011.

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT
ISSUED AND OUTSTANDING AT DECEMBER 31, 2011

YEAR	GENERAL		SEWER UTILITY	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2012	\$1,690,000.00	\$1,330,892.50	\$95,000.00	\$36,968.25
2013	1,765,000.00	1,277,930.00	95,000.00	33,424.50
2014	1,840,000.00	1,222,936.25	95,000.00	29,880.75
2015	1,915,000.00	1,163,361.25	95,000.00	26,262.00
2016	1,990,000.00	1,100,830.00	95,000.00	22,568.25
2017	2,065,000.00	1,028,542.50	95,000.00	18,724.50
2018	2,140,000.00	953,723.75	95,000.00	14,880.75
2019	2,240,000.00	875,733.75	97,000.00	10,977.00
2020	2,315,000.00	790,947.50	93,000.00	6,930.75
2021	2,315,000.00	703,505.00	37,000.00	3,052.50
2022	2,302,000.00	612,985.00	37,000.00	1,526.26
2023	975,000.00	522,375.00		
2024	975,000.00	483,375.00		
2025	975,000.00	444,375.00		
2026	1,000,000.00	405,375.00		
2027	1,000,000.00	365,375.00		
2028	1,000,000.00	325,375.00		
2029	1,000,000.00	285,375.00		
2030	1,000,000.00	245,375.00		
2031	1,000,000.00	205,375.00		
2032	1,000,000.00	165,375.00		
2033	1,000,000.00	125,375.00		
2034	1,000,000.00	85,375.00		
2035	1,100,000.00	45,375.00		
	<u>\$35,602,000.00</u>	<u>\$14,765,262.50</u>	<u>\$929,000.00</u>	<u>\$205,195.51</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2011.

<u>Payment Date</u>	<u>Fund Loan</u>	<u>Trust Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>	
2/1/12	\$5,379.92		\$8,287.50	\$8,287.50
8/1/12	21,608.96	\$25,000.00	8,287.50	33,287.50
2/1/13	4,933.62		7,600.00	7,600.00
8/1/13	24,408.47	30,000.00	7,600.00	37,600.00
2/1/14	4,398.06		6,775.00	6,775.00
8/1/14	23,872.91	30,000.00	6,775.00	36,775.00
2/1/15	3,911.19		6,025.00	6,025.00
8/1/15	23,386.04	30,000.00	6,025.00	36,025.00
2/1/16	3,424.32		5,275.00	5,275.00
8/1/16	22,899.17	30,000.00	5,275.00	35,275.00
2/1/17	2,937.45		4,525.00	4,525.00
8/1/17	25,658.10	35,000.00	4,525.00	39,525.00
2/1/18	2,369.43		3,650.00	3,650.00
8/1/18	25,090.09	35,000.00	3,650.00	38,650.00
2/1/19	1,801.42		2,775.00	2,775.00
8/1/19	24,522.07	35,000.00	2,775.00	37,775.00
2/1/20	1,233.40		1,900.00	1,900.00
8/1/20	27,199.86	40,000.00	1,900.00	41,900.00
2/1/21	616.70		950.00	950.00
8/1/21	13,383.35	40,000.00	950.00	40,950.00
	<u>\$263,034.53</u>	<u>\$330,000.00</u>	<u>\$95,525.00</u>	<u>\$425,525.00</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2011

Prince Rodgers Park Loans:

<u>Year</u>	<u>2002 Loan</u>		<u>2005 Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$25,608.35	\$5,483.25	\$21,615.52	\$4,368.46	\$57,075.58
2013	26,123.07	4,968.52	22,050.00	3,934.00	57,075.59
2014	26,648.15	4,443.44	22,493.21	3,490.79	57,075.59
2015	27,183.78	3,907.82	22,945.32	3,038.68	57,075.60
2016	27,730.18	3,361.42	23,406.52	2,577.47	57,075.59
2017	28,287.55	2,804.05	23,876.99	2,107.01	57,075.60
2018	28,856.13	2,235.46	24,356.92	1,627.08	57,075.59
2019	29,436.13	1,655.45	24,846.49	1,137.50	57,075.57
2020	30,027.81	1,063.79	25,345.90	638.08	57,075.58
2021	30,631.36	460.23	12,863.38	128.62	44,083.59
	<u>\$280,532.51</u>	<u>\$30,383.43</u>	<u>\$223,800.25</u>	<u>\$23,047.69</u>	<u>\$557,763.88</u>

Alfred S. Brown Park Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$20,486.68	\$4,386.60	\$24,873.28
2013	20,898.46	3,974.81	24,873.27
2014	21,318.52	3,554.76	24,873.28
2015	21,747.03	3,126.25	24,873.28
2016	22,184.13	2,689.15	24,873.28
2017	22,630.04	2,243.23	24,873.27
2018	23,084.91	1,788.37	24,873.28
2019	23,548.91	1,324.36	24,873.27
2020	24,022.24	851.03	24,873.27
2021	24,505.08	368.20	24,873.28
	<u>\$224,426.00</u>	<u>\$24,306.76</u>	<u>\$248,732.76</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2011 (Cont.)

YMCA Land Acquisition Loan:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4/16/12	\$6,370.24	\$1,402.66	\$7,772.90
10/16/12	6,433.94	1,338.96	7,772.90
4/16/13	6,498.28	1,274.62	7,772.90
10/16/13	6,563.26	1,209.64	7,772.90
4/16/14	6,628.89	1,144.01	7,772.90
10/16/14	6,695.18	1,077.72	7,772.90
4/16/15	6,762.14	1,010.76	7,772.90
10/16/15	6,829.76	943.14	7,772.90
4/16/16	6,898.05	874.85	7,772.90
10/16/16	6,967.03	805.87	7,772.90
4/16/17	7,036.71	736.19	7,772.90
10/16/17	7,107.07	665.83	7,772.90
4/16/18	7,178.14	594.76	7,772.90
10/16/18	7,249.92	522.98	7,772.90
4/16/19	7,322.42	450.48	7,772.90
10/16/19	7,395.65	377.25	7,772.90
4/16/20	7,469.60	303.30	7,772.90
10/16/20	7,544.30	228.60	7,772.90
4/16/21	7,619.74	153.16	7,772.90
10/16/21	7,696.08	76.82	7,772.90
	<u>\$140,266.40</u>	<u>\$15,191.60</u>	<u>\$155,458.00</u>

Tullo Road Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$9,314.01	\$426.40	\$9,740.41
2013	9,501.23	239.19	9,740.42
2014	4,821.97	48.23	4,870.20
	<u>\$23,637.21</u>	<u>\$713.82</u>	<u>\$24,351.03</u>

Harry Ally Park Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$31,478.71	\$472.99	\$31,951.70
	<u>\$31,478.71</u>	<u>\$472.99</u>	<u>\$31,951.70</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS ISSUED AND OUTSTANDING AT
DECEMBER 31, 2011

Year	2008 Loan - 60 Months		2008 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2012	\$11,093.00	\$584.80	\$9,461.47	\$194.65	\$21,333.92
2013	11,469.24	208.56	802.49	2.19	12,482.48
	<u>\$22,562.24</u>	<u>\$793.36</u>	<u>\$10,263.96</u>	<u>\$196.84</u>	<u>\$33,816.40</u>

Year	2009 Loan - 36 Months		2009 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2012	\$62,642.89	\$934.79	\$7,994.17	\$577.79	\$72,149.64
2013			8,216.83	355.13	8,571.96
2014			8,445.35	126.61	8,571.96
	<u>\$62,642.89</u>	<u>\$934.79</u>	<u>\$24,656.35</u>	<u>\$1,059.53</u>	<u>\$89,293.56</u>

Year	2011 Loan - 36 Months		2011 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2012	\$44,802.44	\$3,767.08	\$17,488.93	\$2,701.79	\$68,760.24
2013	46,560.89	2,008.63	18,321.71	1,869.01	68,760.24
2014	47,855.07	714.45	18,831.35	1,359.37	68,760.24
2015			19,355.15	835.57	20,190.72
2016			19,893.47	297.25	20,190.72
	<u>\$139,218.40</u>	<u>\$6,490.16</u>	<u>\$93,890.61</u>	<u>\$7,062.99</u>	<u>\$246,662.16</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2011, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012, as introduced were as follows:

Current Fund	\$2,500,000.00
Sewer Utility Fund	\$ 140,582.39

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and the Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
Prepaid Taxes	<u>\$1,009,587.52</u>	<u>\$867,565.85</u>

NOTE 6: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and the Defined Contribution Retirement Program (DCRP). The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the cost are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$3,047,109.17 for 2011, \$2,797,404.33 for 2010 and \$2,634,850.46 for 2009.

Certain 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.

NOTE 7: COMPENSATED ABSENCES

The Township of Bridgewater permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$3,405,834.00. The Township annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2011.

NOTE 8: LITIGATION

The Township is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Township's legal counsel would not be material.

NOTE 9: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2011, the Township does not believe that any material liabilities will result from such audits.

NOTE 10: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2011 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Township has established a reserve for this purpose in the Current Fund, the balance of which is \$684,495.43 at December 31, 2011.

NOTE 11: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Employee Contributions</u>	<u>Township and Contributions and Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 29,900.28	\$ 120,000.00	\$ 151,445.34	\$ 5,454.74
2010	20,942.89	89,258.22	129,410.48	6,999.80
2009	21,626.23	5,090.70	30,752.69	26,209.17

NOTE 12: LENGTH OF SERVICE AWARDS PROGRAM

The Township of Bridgewater adopted an ordinance establishing a Length of Service Awards Program effective for 2003 for the members of the Bridgewater First Aid/Rescue Squad pursuant to N.J.S.A. 40A:14-183 et seq. Under this program, each volunteer of the Bridgewater First Aid/Rescue Squad that performs the minimum amount of service will have an annual amount up to \$1,150.00 deposited into a tax deferred account. The Township budgeted \$98,050.00 for the program in 2011.

The accompanying financial statements do not include the Township's Length of Service Awards Program's activities. The Township's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 34,261.56	\$ 750,788.51
Grant Fund	1,492.31	
Animal Control Fund		7,653.74
Trust Other Fund	749,315.20	107.16
General Capital Fund	206.84	
Sewer Utility Operating Fund	46.30	26,726.50
Sewer Assessment Trust Fund		46.30
	<u>\$ 785,322.21</u>	<u>\$ 785,322.21</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 14: 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 salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The Plan is administered by the 'Nationwide Retirement Solutions', 'The Hartford' and 'AXA-Equitable.'

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities. The Township's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement requires the municipality to disclose in the notes to the financial statements the present value of the estimated future cost of the other post employment benefits (OPEB). OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or required to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their balance sheets; however, OPEB obligations are required to be disclosed in the notes, commencing with the 2008 year.

Plan Description

The Township of Bridgewater provides Post-Retirement Benefits to eligible employees in accordance with terms of their various labor agreements:

SUMMARY OF RETIREE BENEFITS

A. Plan Overview

Bridgewater Township ("Bridgewater") provides post-employment benefits other than pensions ("OPEB") to employees who meet certain criteria. As a result of offering such benefits, Bridgewater will be required to report the value of such benefits and the associated costs according to the accounting requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions ("GASB 45").

Bridgewater provides medical, dental and prescription drug benefits to retirees and their covered eligible dependents. Bridgewater pays the entire cost for eligible retirees, spouses and dependents. All active employees who retire directly from Bridgewater and meet the eligibility criteria may participate.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

A. Plan Overview (Continued)

Employees who retire from Bridgewater may be eligible for post-employment medical, dental and prescription benefits pursuant to the provisions below.

ELIBIGILITY 25 Years of Service

DEPENDENT ELIGIBILITY Yes

SUPERVISOR ELIGIBILITY Yes, see below

BENEFITS All Employees

Retirees with at least 25 years of service receive Township paid medical, dental and prescription coverage for themselves and their covered dependents until the retiree's death.

Retirees are required to enroll in Medicare upon reaching age of Medicare eligibility, at which time the Township's coverage becomes secondary. The Township pays for the Medicare Part B supplement.

Retirees with less than 25 years of service may remain on the Township's plans; however, the entire cost of such coverage is the responsibility of the retiree.

Employees who qualify for disability retirement under the New Jersey State Pension Plan are eligible to receive Township paid medical, dental and prescription coverage for themselves and their covered dependents until the retiree's death.

Surviving spouses of retirees with 25 years of service may remain on the Township's coverage until age 65, when Medicare becomes primary and at which time the Township's coverage becomes secondary.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

A. Plan Overview (Continued)

The summary below identifies the value of benefits at January 1, 2009 and costs for the 2009 Fiscal Year according to the account requirements of GASB 45 and summarizes the actuarial valuation results by Bridgewater's active and retired employee groups.

Note that implicit rate subsidies as required by GASB 45 are factored into all relevant values in this report.

Present Value of Future Benefits

Actives	\$67,621,241
Retirees	<u>46,645,021</u>
Total	\$114,266,262

Actuarial Accrued Liability

Actives	\$33,152,205
Retirees	<u>46,645,021</u>
Total	\$79,797,226

GASB 45 Measures	2009 FY
Annual Required Contribution (ARC)	\$ 7,553,226
Annual OPEB Cost	\$ 7,553,226
Employer Contributions, reflecting implicit rate subsidies	\$ 1,548,009
Employer Contributions (Pay-As-You-Go)	\$ 1,563,613

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

B. Liabilities and Normal Cost

The Actuarial Accrued Liability is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The Plan's Actuarial Accrued Liability (at January 1, 2009) is \$79,797,226. The Actuarial Accrued Liability represents approximately 69.83% of the present value of future benefits.

<u>Liabilities and Normal Cost</u>	<u>January 1, 2009</u>
Actuarial Accrued Liability	\$79,797,226
Plan Assets	<u>0</u>
Unfunded Actuarial Accrued Liability	\$79,797,226
Normal Cost	\$ 2,427,457

The Normal Cost for the plan is the amount that the liabilities are expected to increase during the year based on increased eligibility and service.

Normal Cost is the value of benefits expected to be earned during the year, again based on certain actuarial methods and assumptions. The 2009 Fiscal Year Normal Cost is \$2,427,457.

The results were calculated based upon plan provisions and census data, as provided by Bridgewater, along with certain demographic and economic assumptions as recommended by LECG-SMART with guidance from the GASB statement and approved by Bridgewater.

C. Demographic Information

Data was provided by Bridgewater as of January 1, 2009.

<u>Participant Information</u>	<u>January 1, 2009</u>
Active Participants	202
Inactive Participants	<u>101</u>
Total	303
<u>Employer Contributions</u>	<u>2009 FY</u>
Expected OPEB Contributions:	
Active Participants	\$0
Inactive Participants	<u>1,548,009</u>
Total Contribution	\$1,548,009

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

D. Assets

As of the valuation date, Bridgewater does not set aside assets in trust to pay future benefits.

Assets

Market Value of Assets	\$0
Actuarial Value of Assets	\$0
Investment Return	N/A

According to GASB 45, an employer has made a contribution to pay for future benefits only if it meets one of these criteria:

The employer has made benefit payments directly to or on behalf of a retiree or beneficiary.

The employer has made premium payments to an insurer.

The employer has made contributions to an OPEB plan to fund payments of benefits as they come due in the future, and all the following apply:

The employer no longer has ownership or control of the assets.

The plan is effectively a legally separate entity under the stewardship of a board of trustees.

The plan assets provide benefits to retirees and their beneficiaries in accordance to the terms stated in the plan.

The plan assets are legally protected from creditors of the employer.

E. Economic Assumptions

GASB 45 requires that the discount rate used to calculate the actuarial present value of projected plan benefits should be the estimated long-term yield on the "investments that are expected to be used to finance the payments of benefits." Since Bridgewater does not pre-fund plan liabilities, the discount rate should be based on "employer assets", specifically, the long-term expected return on employer investments that are not restricted for other purposes and are expected to be used to finance benefit payments.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

E. Economic Assumptions (Continued)

It is not clear how the general pool of assets used to finance Bridgewater's payment of OPEB premiums is invested for the long-term. Many public sector employers are using a rate closer to the required rate under the Financial Accounting Standards Board No. 106 (FAS 106) to value postretirement healthcare benefits for private employers or what their peers are using. A rate of 5.00% is reasonable and consistent with what other similarly situated governmental employers are using.

The trend assumption is used to project the growth of the expected claims over the lifetime of the healthcare recipients. The GASB statement does not require a particular source for information to determine healthcare trends, but it does recommend selecting a source that is "publicly available, objective and unbiased."

Bridgewater retained LECG-SMART to perform a valuation of its postretirement welfare benefit plans for the purpose of determining its annual cost in accordance with the GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

The consulting actuary is a member of the Society of Actuaries and other professional actuarial organizations, and meets their "General Qualification Statements of Actuarial Opinion" relating to postretirement welfare plans.

In preparing the results presented in this report, we have relied upon information provided to us regarding plan provisions, plan participants, and plan assets. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. The accuracy of the results presented in this report is dependent upon the accuracy and completeness of the underlying information.

Where reasonable, the actuarial assumptions and the accounting policies and methods employed in the development of the postretirement welfare cost have been selected by Bridgewater, which relied upon actuarial audits and experience studies conducted for the New Jersey State Health Benefits Program. We did not independently study historic information to develop assumptions. The mortality table used for the valuation is RP-2000. It was selected due to its relevance as a current mortality table and is also used by other governmental agencies to value their populations. The amortization of unfunded liabilities as a level dollar amount over 30 years was selected to comply with GASB 45 requirements for a Closed Group. Under a Closed Group Actuarial Cost Method, actuarial present values associated with future entrants are not considered. The selected discount rate is based on an expected return on assets for a pre-funded plan. The Unit Credit cost method was selected. When the benefit is prefunded with an irrevocable trust, a method of valuing assets (e.g., market value or a smooth approach) will need to be selected.

NOTE 16: SUBSEQUENT EVENTS

On February 16, 2012, the Township issued \$6,070,000 in General Obligation Refunding Bonds. The purpose of the bonds was to advance refund the outstanding callable principal amount of the originally issued \$12,046,000 General Obligation Bonds, Series 2003.

In addition, the Township is in the process of issuing \$17,278,000 General Obligation Bonds consisting of \$16,642,000 in General Improvement Bonds and \$636,000 in Sewer Utility Bonds. The bonds will be dated April 1, 2012.

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TOWNSHIP OF BRIDGEWATER

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2010	A	\$ 9,672,892.50	\$ 236,273.01
Increased by Receipts:			
Taxes Receivable	A-8	\$ 162,774,389.23	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	381,273.90	
Interfunds	A-12	2,461,162.91	
Due Current Fund	A-29		107,481.69
Petty Cash	A-5	1,000.00	
Revenue Accounts Receivable	A-13	12,768,051.80	
Miscellaneous Revenue Not Anticipated	A-2	402,352.98	
Tax Overpayments	A-17	366,253.37	
Prepaid Taxes	A-18	1,009,587.52	
Grants-Appropriated - Match	A-23		120,789.00
Grants - Unappropriated	A-24		67,715.96
Grants Receivable	A-25		786,416.04
Sale of Municipal Assets	A-19	10,084.80	
Construction Code DCA - Due State of NJ	A-16	98,608.00	
Marriage/Civil Union Licenses Due State of NJ	A-27	4,550.00	
Reserve for Storm Damage - FEMA	A-26	81,759.93	
Reserve for Emergency Note Payable	A-28	432,509.00	
		<u>180,791,583.44</u>	<u>1,082,402.69</u>
		\$ <u>190,464,475.94</u>	\$ <u>1,318,675.70</u>
Decreased by Disbursements:			
2011 Appropriations	A-3	\$ 33,136,185.93	\$
Appropriation Reserves	A-14	924,562.95	
Interfunds	A-12	2,455,319.09	
Due Current Fund	A-29		138,744.92
Petty Cash	A-5	1,000.00	
Tax Overpayments	A-17	286,448.01	
Regional School District Taxes	A-21	109,277,842.74	
County Taxes	A-20	32,750,849.35	
Special Fire District Taxes	A-22	2,197,596.00	
Refund of:			
Fees & Permits	A-2	100.00	
Uniform Construction Code Fees	A-2	4,793.40	
Recreation Fees	A-2	5,580.00	
Prior Year Revenue	A-1	9,562.82	
Construction Code DCA - Due State of NJ	A-16	89,699.00	
Marriage/Civil Union Licenses Due State of NJ	A-27	4,825.00	
Reserve for Accounts Payable	A-11	91,275.14	
Reserve for Tax Appeals	A-15	16,506.45	
Grants-Appropriated	A-23		1,091,071.48
		<u>181,252,145.88</u>	<u>1,229,816.40</u>
Balance, December 31, 2011	A	\$ <u>9,212,330.06</u>	\$ <u>88,859.30</u>

"A-5"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF PETTY CASH

OFFICE

Police Department
Finance Department

	<u>RECEIVED FROM TREASURER</u>	<u>RETURNED TO TREASURER</u>
	\$ 500.00	\$ 500.00
	<u>500.00</u>	<u>500.00</u>
	\$ <u>1,000.00</u>	\$ <u>1,000.00</u>

REF.

A-4

A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2010
and December 31, 2011

A

\$ 410.00

DETAIL

Tax Collector
Police
Township Clerk
Municipal Court

\$ 200.00
50.00
50.00
<u>110.00</u>
\$ <u>410.00</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

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

	<u>REF.</u>		
Balance, December 31, 2010 (Due From)	A		\$ 163,348.84
Increased by:			
Senior Citizens Deductions Per Tax Billing	A-7	\$ 72,250.00	
Veterans Deductions Per Tax Billing	A-7	315,250.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector	A-7	<u>9,750.00</u>	
			\$ <u>397,250.00</u>
Decreased by:			
Senior Citizens Deductions Disallowed by Collector	A-7	\$ 2,942.46	
Received From State	A-4	<u>381,273.90</u>	
			<u>384,216.36</u>
Balance, December 31, 2011 (Due From)	A		<u>\$ 176,382.48</u>

ANALYSIS OF STATE SHARE OF 2011 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing	A-7	\$ 72,250.00	
Veterans Deductions Per Tax Billing	A-7	315,250.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector-2011 Taxes	A-7	<u>9,750.00</u>	
			\$ 397,250.00
Less:			
Deductions Disallowed by Collector	A-7		<u>2,942.46</u>
	A-8		<u>\$ 394,307.54</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2010	2011 LEVY	ADDED TAXES	COLLECTIONS BY CASH 2010	2011	CANCELED	OVERPAYMENTS APPLIED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2011
2009	\$ 5,251.23		\$ 893.57	\$ 6,144.80	\$	\$	\$	\$	\$
2010	\$ 1,150,653.07		\$ 1,368.25	\$ 1,151,814.94	\$	\$	\$	\$ 206.38	\$
2011	\$ 1,155,904.30	\$ 165,157,406.75	\$ 2,261.82	\$ 867,565.85	\$ 1,157,959.74	\$ 52,765.59	\$ 644,799.87	\$ 2,594.37	\$ 1,578,944.04
REF.	A	A-8	A-2:A-18	A-2:A-8	A-2:A-8	A-2:A-17	A-2:A-17	A-9	A

REF.

Collector
Senior Citizens and Veterans Deductions

A-4 \$ 162,774,389.23
A-7 394,307.54
A-8 \$ 163,168,696.77

ANALYSIS OF 2011 PROPERTY TAX LEVY

TAX YIELD

General Property Tax
Added Taxes (54:4-63.1 et seq.)
Special Fire District Tax

\$ 162,300,809.30
657,501.45
2,199,096.00
\$ 165,157,406.75

TAX LEVY

Regional School District Tax (Abstract)
County Tax (Abstract)
County Library Tax (Abstract)
County Open Space (Abstract)

\$ 109,277,842.74

Due County for Added Taxes (54:4-63.1 et seq.)

\$ 32,665,063.61

Total County Taxes

133,197.09

Special Fire District Tax
Local Tax for Municipal Purposes (Abstract)
Add: Additional Tax Levied
Local Tax for Municipal Purposes Levied

32,798,260.70
2,199,096.00
20,882,207.31
\$ 165,157,406.75

"A-9"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 112,632.62
Increased by:			
2011 Taxes Accrued	A-8	\$ 2,594.37	
2010 Taxes Accrued	A-8	206.38	
Interest & Costs on Tax Sale		<u>65.77</u>	
			<u>2,866.52</u>
Balance, December 31, 2011	A		\$ <u>115,499.14</u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance, December 31, 2010 and December 31, 2011	A		\$ <u>422,300.00</u>
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TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010			\$ 1,106,834.28
Increased by:			
2011 Budget Appropriations	A-3	\$ 645,074.63	
2011 Grants	A-23	350,885.85	
Appropriation Reserves	A-14	<u>109,906.84</u>	
			<u>1,105,867.32</u>
			\$ <u>2,212,701.60</u>
Decreased by:			
Disbursements	A-4	\$ 91,275.14	
Transferred to Appropriation Reserves	A-14	466,418.35	
Transferred to Grant Reserves	A-23	470,163.98	
Canceled	A-1	<u>54,219.59</u>	
			<u>1,082,077.06</u>
Balance, December 31, 2011			\$ <u><u>1,130,624.54</u></u>
<u>Analysis of Balance:</u>			
Current Fund	A	\$ 779,738.69	
Grant Fund	A	<u>350,885.85</u>	
			\$ <u><u>1,130,624.54</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GRANT FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>OTHER TRUST FUND</u>	<u>SEWER UTILITY OPERATING FUND</u>
Balance, December 31, 2010						
Due To	A	\$ 748,749.24	\$	\$	\$ 747,015.62	\$ 1,733.62
Due From	A	<u>31,263.23</u>	<u>31,263.23</u>			
Receipts	A-4	\$ 2,461,162.91	\$ 138,744.92	\$	\$ 2,121,025.43	\$ 201,392.56
Tax Overpayments Applied	A-17	266.00				
Transfer	A-2	7,653.74		7,653.74		266.00
Canceled		2,399.76	1,492.31		907.45	
Disbursements	A-4	<u>2,455,319.09</u>	<u>107,481.69</u>		<u>2,117,837.40</u>	<u>230,000.00</u>
Balance, December 31, 2011						
Due To	A	\$ 750,788.51	\$ 1,492.31	\$	\$ 749,296.20	\$
Due From	A	<u>34,261.56</u>		<u>7,653.74</u>		<u>26,607.82</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>ACCRUED IN 2011</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2011</u>
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 86,502.00	\$ 86,502.00	\$
Other	A-2		32,701.00	32,701.00	
Fees and Permits	A-2		279,969.71	279,969.71	
Municipal Court:					
Fines and Costs	A-2	56,473.83	735,328.37	745,796.88	46,005.32
Interest and Costs on Taxes	A-2		329,268.87	329,268.87	
Interest on Investments and Deposits	A-2		67,104.74	67,104.74	
Recreation Fees	A-2		131,530.00	131,530.00	
Consolidated Municipal Property Tax Relief Aid	A-2		508,750.00	508,750.00	
Energy Receipts Tax	A-2		5,391,429.00	5,391,429.00	
Garden State Trust Fund	A-2		4,082.00	4,082.00	
Uniform Construction Code Fees	A-2		1,044,466.00	1,044,466.00	
Joint Services with County Library	A-2		300,633.71	300,633.71	
Life Hazard Use Fees	A-2		131,322.28	131,322.28	
Suburban Cablevision - Franchise Fee	A-2		170,930.03	170,930.03	
Payment in Lieu of Taxes-Centerbridge I	A-2		97,012.29	97,012.29	
Payment in Lieu of Taxes-Centerbridge II	A-2		102,523.74	102,523.74	
Bridgewater Commons - Rent / Royalty / In Lieu Of	A-2		1,766,737.00	1,766,737.00	
Host Benefit Fees	A-2		241,979.30	241,979.30	
Hotel/Motel Tax	A-2		772,869.55	772,869.55	
Capital Fund Surplus	A-2		130,000.00	130,000.00	
Debt Service Reimbursement - Open Space Trust Fund	A-2		177,236.59	177,236.59	
Debt Service Reimbursement - Reserve to Pay BAN	A-2		153,750.00	153,750.00	
Animal Shelter Contributions	A-2		18,767.11	18,767.11	
Recreation - Summer Playground	A-2		82,690.00	82,690.00	
		\$ 56,473.83	\$ 12,502,376.18	\$ 12,768,051.80	\$ 46,005.32
<u>REF.</u>		A		A-4	A

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>					
Mayor's Office	\$ 0.59	\$	\$ 0.59	\$	\$ 0.59
Administration	0.91		0.91		0.91
Economic Development	0.28		0.28		0.28
Township Council	302.94		302.94		302.94
Personnel Office	774.68		774.68		774.68
Purchasing Department	152.25		152.25		152.25
Grants Administration Office	0.48		0.48		0.48
Township Council	2.38		2.38		2.38
Director of Finance	0.67		0.67		0.67
Division of Treasury	168.06		168.06		168.06
Division of Tax Collection	506.84		506.84		506.84
Tax Assessment	637.85		637.85		637.85
Legal Office	1,221.35		1,221.35		1,221.35
Engineering Director's Office	0.44		0.44		0.44
Engineering	2,064.75		2,064.75		2,064.75
Board of Adjustments	9,363.50		363.50		363.50
Division of Planning	1,242.21		1,242.21		1,242.21
Police	200,678.07		184,129.07		184,129.07
Fire Safety	406.40		406.40		406.40
Municipal Court	8,568.16		68.16		68.16
Road Repairs and Maintenance	37,745.08		745.08		745.08
Vehicle Maintenance	451.20		451.20		451.20
Snow Removal	10,208.38		23,352.38	23,351.58	0.80
Park Maintenance	27,055.80		1,055.80		1,055.80
Public Buildings and Grounds	4,417.85		417.85		417.85
Director's Office	1.04		1.04		1.04
Division of Health	501.60		501.60		501.60
Administration of Public Assistance	44.22		44.22		44.22
Environmental Commission	196.60		196.60		196.60
Senior Citizen Services	1,064.68		1,064.68		1,064.68
Division of Recreation and Parks	4,121.91		4,121.91		4,121.91
Construction Code Official	1,288.53		1,288.53		1,288.53
Branch Library	23,408.50		23,408.50		23,408.50
Salary Settlements					
<u>OTHER EXPENSES</u>					
Mayor's Office	171.34		171.34		171.34
Administration	3,087.56	1,610.55	4,698.11	1,730.55	2,967.56
Economic Development	337.00	88.00	425.00	88.00	337.00
Township Council	150.32		150.32		150.32
Personnel Office	1,732.23	1,001.92	2,734.15	1,645.81	1,088.34
Purchasing Department	1,775.47	3,038.88	4,814.35	3,038.88	1,775.47
Grants Administration Office	61.60		61.60		61.60
Township Clerk	2,368.67	1,232.87	3,601.54	2,971.45	630.09
Elections	3,651.46		651.46		651.46
Director of Finance	43.98	1,745.00	1,788.98	1,745.00	43.98
Division of Treasury	354.01	329.48	683.49	329.48	354.01
Audit	750.00		750.00		750.00
Division of Collector of Taxes	2,460.68	4,750.00	7,210.68	4,863.70	2,346.98
Assessment of Taxes	7,948.37	6,573.20	7,021.57	2,611.70	4,409.87
Reassessment Program		9,650.00	9,650.00	9,650.00	
Legal Office	14,317.14	29,070.00	43,387.14	37,383.85	6,003.29
Employee Group Insurance	64,987.66	54,857.57	186,845.23	185,756.44	1,088.79
Engineering	16.96	1,265.44	1,812.40	1,809.44	2.96
Board of Adjustments	32.57	9,683.18	9,715.75	9,703.47	12.28
Division of Planning	4,461.36	16,152.04	16,613.40	15,997.28	616.12
Planning Board	3,599.17	5,389.16	8,988.33	5,183.00	3,805.33
Police	35,122.95	84,729.85	119,852.80	77,262.73	42,590.07
Office of Emergency Management	34.87	2,317.69	2,352.56	2,317.69	34.87
Fire Safety	100.00		100.00		100.00
Fire Hydrant Service	158,807.60		143,807.60	143,238.48	569.12
Municipal Court	3,749.77	1,713.85	5,463.62	1,957.37	3,506.25
Public Defender	800.00		800.00		800.00
Road Repair and Maintenance	31,900.64	71,555.55	88,456.19	56,225.61	32,230.58
Vehicle Maintenance	9,919.03	5,337.34	15,256.37	2,585.97	12,670.40
Recycling	6,928.15		6,928.15		6,928.15
Snow Removal	928.08	9,133.66	13,063.74	10,359.96	2,703.78

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>					
Park Maintenance	\$ 3,300.95	\$ 6,336.09	\$ 9,637.04	\$ 6,076.15	\$ 3,560.89
Municipal Services Reimbursements: Condominiums	49,915.45		49,915.45	34,484.30	15,431.15
Public Buildings and Grounds	8,936.68	12,915.79	21,852.47	13,804.55	8,047.92
Director's Office	251.00	44.00	295.00	44.00	251.00
Division of Health	5,329.28	421.31	5,750.59	421.31	5,329.28
Administration of Public Assistance	125.00		125.00		125.00
Visiting Nurses Service - Contribution	2,613.00	4,317.00	4,430.00	4,317.00	113.00
Environmental Commission	844.04	95.00	939.04	95.00	844.04
Senior Citizen Services	4,565.52	2,700.32	8,265.84	7,466.73	799.11
Division of Recreation and Parks	15,831.20	15,675.75	31,506.95	18,490.75	13,016.20
Branch Library		8,685.40	13,816.40	11,399.69	2,416.71
Green Brook Flood Control	1,111.91		1,111.91		1,111.91
Construction Code Official	111,952.78	20,025.67	131,978.45	117,083.00	14,895.45
Street Lighting	1,330.36		61,430.36	61,427.21	3.15
Telephone Service	71,749.42	17,153.57	88,902.99	42,182.04	46,720.95
Central Office Supply		1,928.60	1,928.60	1,607.01	321.59
Utilities	46,276.06	44,655.87	91,073.93	85,647.81	5,426.12
Postage		207.00	207.00	207.00	
Contingent	5,000.00		5,000.00		5,000.00
Social Security System (O.A.S.I.)	2,152.69		152.69	21.89	130.80
Pension Firemen's Widow	1,000.00		1,000.00		1,000.00
Defined Contribution Retirement Plan (DCRP)	964.67		964.67	77.42	887.25
Unemployment Compensation Insurance	79,657.59		79,657.59		79,657.59
Length of Service Awards Program		8,331.75	8,331.75	8,331.75	
Dog Regulation	4,427.00		4,427.00		4,427.00
Branch Library	16,631.75	1,700.00	18,331.75	18,331.75	
Employee Group Insurance	9,799.04		9,799.04		9,799.04
Social Security System	12,555.47		12,555.47		12,555.47
<u>CAPITAL IMPROVEMENTS</u>					
Finance - Computer Equipment	14,897.81		14,897.81	1,145.99	13,751.82
	<u>\$ 1,168,415.51</u>	<u>\$ 466,418.35</u>	<u>\$ 1,634,833.86</u>	<u>\$ 1,034,469.79</u>	<u>\$ 600,364.07</u>
REF.	A	A-11			A-1
Disbursements	A-4			\$ 924,562.95	
Reserve for Accounts Payable	A-11			<u>109,906.84</u>	
				<u>\$ 1,034,469.79</u>	

"A-15"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>	
Balance, December 31, 2010	A	\$ 701,001.88
Decreased by:		
Disbursements	A-4	<u>16,506.45</u>
Balance, December 31, 2011	A	<u>\$ 684,495.43</u>

"A-16"

SCHEDULE OF RESERVE FOR CONSTRUCTION CODE DCA - DUE STATE OF NEW JERSEY

Balance, December 31, 2010	A	\$ 18,579.00
Increased by:		
Receipts	A-4	<u>98,608.00</u>
		\$ <u>117,187.00</u>
Decreased by:		
Disbursements	A-4	<u>89,699.00</u>
Balance, December 31, 2011	A	<u>\$ 27,488.00</u>

"A-17"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 999,593.08
Increased by:			
Overpayments in 2011	A-4		<u>366,253.37</u>
			\$ 1,365,846.45
Decreased by:			
Refunded	A-4	\$ 286,448.01	
Canceled		0.33	
Applied to Taxes	A-8	644,799.87	
Applied to Sewer	A-12	<u>266.00</u>	
			<u>931,514.21</u>
Balance, December 31, 2011	A		\$ <u>434,332.24</u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2010	A		\$ 867,565.85
Increased by:			
Collection of 2012 Taxes	A-4		<u>1,009,587.52</u>
			\$ 1,877,153.37
Decreased by:			
Applied to 2011 Taxes	A-8		<u>867,565.85</u>
Balance, December 31, 2011	A		\$ <u>1,009,587.52</u>

"A-19"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>		
Balance, December 31, 2010	A	\$	226,759.85
Increased by:			
Receipts	A-4		<u>10,084.80</u>
		\$	<u>236,844.65</u>
Decreased by:			
Applied to Revenue	A-2		<u>180,000.00</u>
Balance, December 31, 2011	A	\$	<u><u>56,844.65</u></u>

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2010	A	\$	85,785.74
Increased by:			
2011 Levy		\$	32,665,063.61
Added Taxes			<u>133,197.09</u>
	A-1:A-8		<u>32,798,260.70</u>
		\$	<u>32,884,046.44</u>
Decreased by:			
Payments	A-4		<u>32,750,849.35</u>
Balance, December 31, 2011	A	\$	<u><u>133,197.09</u></u>

"A-21"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

	<u>REF.</u>	
Increased by:		
School Levy	A-1:A-8	\$ 109,277,842.74
Decreased by:		
Payments	A-4	\$ <u>109,277,842.74</u>

"A-22"

SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE

Balance, December 31, 2010 (Prepaid)	A	\$ 1,500.00
Increased by:		
2011 Special District Tax Levy	A-1:A-8	<u>2,199,096.00</u>
		\$ <u>2,197,596.00</u>
Decreased by:		
Payments	A-4	\$ <u>2,197,596.00</u>

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2010	2011 BUDGET APPROPRIATION	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2011
Public Health Priority Fund	\$ 22,144.00	\$	\$ 18,715.90	\$	\$ 3,428.10
Drunk Driving Enforcement Fund	9,648.55	20,679.41	28,190.58		2,137.38
Over the Limit Under Arrest	2,625.00	9,400.00	5,250.00	2,725.00	4,050.00
Clean Communities Program	39,635.49	75,732.58	57,224.07		58,144.00
Municipal Alliance Program		39,673.00	39,555.13		117.87
Municipal Alliance Program Match		9,918.00	9,867.53	50.47	
Alcohol Education Rehabilitation	10,817.81	6,148.56	6,750.00		10,016.37
Body Armor Replacement Fund	8,022.45		2,317.50		5,704.95
Environmental Service Program - OEM	2,500.00			2,500.00	
Environmental Service Program - OEM Match	2,500.00			2,500.00	
Environmental Service Program - Middlebrook Trail			(300.00)	300.00	
Middlebrook Trails Construction	1,652.82				1,652.82
Middlebrook Trails	7,696.55			7,696.55	
Hazard Mitigation Grant	9,914.00				9,914.00
Hazardous Discharge Site Remediation - Municipal Garage					
Safe & Secure Communities		56,168.00	56,168.00		
Safe & Secure Communities & Match		110,871.00	110,871.00		
Recycling Tonnage Program	10,331.08	76,754.83	78,065.01		9,020.90
Domestic Violence Training Program	225.22			225.22	
Somerset County Youth Services Commission	548.38	5,000.00	5,368.02		180.36
Smart Future Planning - Municipal Building	9,941.24			9,941.24	
SC Youth Athletic & Recreational Facility	23.08	14,976.92		23.08	14,976.92
CDBG - Youth Development Program	7,776.00		5,633.05		2,142.95
COPS Technology	42.44		(500.00)	542.44	
Office of Emergency Management	18,395.86	10,000.00	(0.74)		28,396.60
911 General Assistance	1.25			1.25	
Federal Bulletproof Vest Program	11,873.58	2,700.00	2,317.50		12,256.08
Open Space Partnership - Wemple Acquisition	100,000.00			100,000.00	
Challenge Grant - Findeme	21,700.00				21,700.00
Regional Center Partnership - Pearl Street and Jamestown Road	20,000.00		7,750.00		12,250.00
Regional Center Partnership - Peters Brook	13,845.00				13,845.00
Municipal Planning Partnership - Economic Development	0.46			0.46	
Stormwater Regulation	4,798.00				4,798.00
Electronic Death Registration System	0.01			0.01	
Child Passenger Safety Grant	22.64	8,000.00	3,992.50	22.64	4,007.50
Buffer Zone Protection Program	194,926.72		194,856.35	70.37	
SC Youth Services Commission	1,980.00		1,980.00		
Energy Efficiency & Conservation Strategy	96,288.96		41,306.37		54,982.59
Tobacco Age of Sale Grant	2,460.00				2,460.00
Swine Flu (H1N1)	11,476.39	10,000.00	9,815.65		11,660.74
Hepatitis B Inoculation Fund	1,112.07				1,112.07
Homeland Security - County	291,104.00		24,150.00		266,954.00
NJ DOT - Highway Safety Fund - Safe Corridor		112,890.17	112,449.93		440.24
NJ DOT - Crim Road	45,339.68				45,339.68
NJ DOT - Country Club Road	10,977.42				10,977.42
NJ DOT - Repaving US Route 22	116,935.55				116,935.55
NJ DOT - Construction of Brown Rd.		150,000.00	150,000.00		
	\$ 1,109,081.70	\$ 718,912.47	\$ 971,793.35	\$ 128,251.55	\$ 727,949.27
REF.	A			A-1:A-29	A
Grants Appropriated	A-3	\$ 598,123.47			
Matching Funds for Grants	A-4	120,789.00			
		\$ 718,912.47			
Disbursements	A-4		\$ 1,091,071.48		
Accounts Payable	A-11		350,885.85		
			\$ 1,441,957.33		
Less: Transferred from Accounts Payable	A-11		470,163.98		
			\$ 971,793.35		

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2010	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2011
Drunk Driving Enforcement Fund	\$ 20,679.41	\$	\$ 20,679.41	\$
SC Youth Athletic and Recreation	14,976.92		14,976.92	
Recycling Tonnage Grant		60,910.61		60,910.61
Body Armor		6,805.35		6,805.35
	<u>\$ 35,656.33</u>	<u>\$ 67,715.96</u>	<u>\$ 35,656.33</u>	<u>\$ 67,715.96</u>
<u>REF.</u>	A	A-4	A-25	A

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2010	BUDGET APPROPRIATION	RECEIPTS	CANCELED	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2011
Homeland Security - County	\$ 291,104.00	\$	\$	\$	\$	291,104.00
Drunk Driving Enforcement Fund		20,679.41	6,148.56		20,679.41	
Alcohol Education Rehabilitation Fund		6,148.56	8,725.00			
Over the Limit Under Arrest	2,725.00	9,400.00	75,732.58	2,725.00		675.00
Clean Communities Program	8,907.64	75,732.58	39,673.00			17,308.68
Municipal Alliance Program		31,271.96	76,754.83			9,917.00
Recycling Tonnage Grant	10,143.00	2,700.00	2,926.00			
Federal Bulletproof Vest Partnership	2,616.37			2,616.37		
Environmental Services Program - OEM	542.44			542.44		
COPS Technology Grant	8,323.60			8,323.60		
Middlebrook Trail Construction		10,000.00				
Office of Emergency Management						
Hazard Mitigation Grant	128,806.55		114,924.82			10,000.00
Aggressive Driver Enforcement Program	5,420.36			5,420.36		13,881.73
Justice Assistance Grant (JAG)	10,800.00		10,800.00			
Safe and Secure Communities	30,000.00	56,168.00	56,168.00			30,000.00
Regional Center Partnership - Challenge Grant	10,000.00					10,000.00
Open Space Partnership - Wemple Acquisition	100,000.00			100,000.00		
SC Youth Athletics & Recreation Facilities	4,779.39	14,976.92		23.08	14,976.92	4,756.31
County of Somerset Youth Services Commission		5,000.00	5,000.00			
Public Water Supply Contract	2,751.58					2,751.58
School Based Partnership	3,379.00					3,379.00
Energy Efficiency & Conservation Strategy Project	182,200.00					182,200.00
Swine Flu (H1N1)		10,000.00	9,815.65			184.35
Comprehensive Traffic Safety Program	717.58	112,890.17				113,607.75
NJ Division on Women	2,873.00					2,873.00
Smart Future						
Buffer Zone Protection Program (Homeland Security)	10,000.00		275,679.03	10,000.00		5,111.00
CDBG - Youth Development Program	275,749.40		2,666.00	70.37		4,207.50
Child Passenger Safety Grant	7,776.00		3,982.50			13,826.23
NJ DOT - Municipal Aid Program	222.64	8,000.00	25,888.77	22.64		145,076.66
N.J. DOT - Repairing U.S. Route 22	39,715.00		79,923.34			45,339.68
NJ DOT - Crim Road	225,000.00					150,000.00
NJ DOT - Brown Road	45,339.68	150,000.00				
	\$ 1,409,892.23	\$ 598,123.47	\$ 786,416.04	\$ 129,743.86	\$ 35,656.33	\$ 1,056,199.47
	A	A-2	A-4	A-1A-29	A-24	A

REF.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR STORM DAMAGE - FEMA

	<u>REF.</u>	
Balance, December 31, 2010	A	\$ 31,263.23
Increased by:		
Receipts	A-4	<u>81,759.93</u>
		\$ 113,023.16
Decreased by:		
Applied to Revenue	A-2	<u>31,000.00</u>
Balance, December 31, 2011	A	<u><u>\$ 82,023.16</u></u>

"A-27"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR MARRIAGE & CIVIL UNION LICENSES - DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2010	A	\$ 1,050.00
Increased by:		
Receipts	A-4	4,550.00
		<u>\$ 5,600.00</u>
Decreased by:		
Paid to State	A-4	4,825.00
		<u>4,825.00</u>
Balance, December 31, 2011	A	<u><u>\$ 775.00</u></u>

"A-28"

SCHEDULE OF RESERVE FOR EMERGENCY NOTE PAYABLE

Increased by:		
Receipts	A-4	\$ 432,509.00
		<u>432,509.00</u>
Balance, December 31, 2011	A	<u><u>\$ 432,509.00</u></u>

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2010 (Due To)	A		\$ 31,263.23
Increased by:			
Grants Appropriated Canceled	A-23	\$ 128,251.55	
Receipts	A-4	<u>107,481.69</u>	
			\$ <u>235,733.24</u>
Decreased by:			
Grants Receivable Canceled	A-25	\$ 129,743.86	
Disbursements	A-4	<u>138,744.92</u>	
			\$ <u>268,488.78</u>
Balance, December 31, 2011 (Due From)	A		\$ <u><u>1,492.31</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 100,000.00
Increased by:			
2011 Appropriations			
N.J.S.A. 40A:4-55 Police Cars - Flood		\$ 132,000.00	
N.J.S.A. 40A:4-46 Flood Damage and Litigation		560,000.00	
N.J.S.A. 40A:4-48 In House Building & Elect. Inspections		<u>82,509.00</u>	
	A-1:A-3		\$ <u>774,509.00</u>
			874,509.00
Decreased by:			
Paid by Budget			
N.J.S.A. 40A:4-46 Health Insurance	A-1:A-3		<u>100,000.00</u>
Balance, December 31, 2011	A		\$ <u><u>774,509.00</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>	<u>ASSESSMENT</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance, December 31, 2010	\$ 43,834.42	\$ 23,198.74	\$ 25,448,748.41
Increased by Receipts:			
Reserve for Animal Control Expenditures			
Due State of New Jersey	\$ 14,477.00		
Reserve for Various Trust Deposits	3,066.00		
Reserve for Municipal Open Space Trust Deposits			14,746,151.63
State Unemployment Insurance			571,384.62
Due General Capital Fund			149,900.28
Due Current Fund			500,107.16
			3,345.83
	<u>43,834.42</u>	<u>17,543.00</u>	<u>15,970,889.52</u>
Decreased by Disbursements:			
Due Current Fund		\$ 40,741.74	\$ 41,419,637.93
New Jersey State Board of Health			
Expenditures Under R.S.4:19-15.11	\$ 3,069.00		6,533.86
Accounts Payable	2,244.40		
Reserve for Various Trust Deposits	437.00		
Reserve for Municipal Open Space Trust Deposits			15,387,996.40
State Unemployment Insurance			5,246,315.76
Due Sewer Operating Fund			151,445.34
		<u>5,750.40</u>	<u>19.00</u>
Balance, December 31, 2011	<u>\$ 43,834.42</u>	<u>\$ 34,991.34</u>	<u>\$ 20,627,327.57</u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF CONFIRMATION</u>	<u>INSTALLMENT</u>	<u>DUE DATES</u>	<u>BALANCE DECEMBER 31, 2010 AND 2011</u>	<u>BALANCE PLEGGED TO RESERVE</u>
79-19A	Middlebrook Sewers Contract 144A/B	8/15/94	10	9/15/94 - 2003	\$ 69,685.04	\$ 69,685.04
79-19B	Middlebrook Sewers Contract 144C-2B	7/02/00	10	9/15/00 - 2009		
87-20A	Ethicon Lawns	2/02/98	10	4/03/98 - 2007	17,403.56	17,403.56
					<u>\$ 87,088.60</u>	<u>\$ 87,088.60</u>

REF. B

"B-4"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010 AND 2011</u>
79-19	Construction of Sanitary Sewer - Middlebrook	\$ <u>408,863.19</u>
		\$ <u><u>408,863.19</u></u>
		<u>REF.</u> B:B-4

Analysis of Balance

Pledged to Assessment Bonds	\$ 150,863.19
Pledged to Reserve for Assessments	<u>258,000.00</u>
	\$ <u><u>408,863.19</u></u>
	<u>REF.</u> B-4

"B-5"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

		BALANCE DECEMBER 31, 2010 AND 2011
Assessment Serial Bonds:		
Middlebrook 79-19	\$	0.18
Ethicon 87-20/88-7/88-24/89-30/90-10		(197.45)
Assessment Fund Balance		43,031.69
Assessment Overpayments		<u>1,000.00</u>
	\$	<u><u>43,834.42</u></u>
	<u>REF.</u>	B

"B-6"

SCHEDULE OF DUE GENERAL CAPITAL FUND - OPEN SPACE - OTHER TRUST FUND

	<u>REF.</u>	
Balance, December 31, 2010 (Due From)	B	\$ 500,000.00
Decreased by:		
Receipts	B-2	<u>500,107.16</u>
Balance, December 31, 2011 (Due To)	B	<u><u>107.16</u></u>

"B-7"

TOWNSHIP OF BRIDGEWATER
TRUST FUND
SCHEDULE OF ASSESSMENT OVERPAYMENTS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	B	\$ <u>1,000.00</u>

"B-8"

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

Balance, December 31, 2010	B	\$ 6,999.80
Increased by:		
Receipts	B-2	<u>149,900.28</u>
		\$ 156,900.08
Decreased by:		
Disbursements	B-2	<u>151,445.34</u>
Balance, December 31, 2011	B	\$ <u>5,454.74</u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - OTHER TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2010	B		\$ 4,751,980.42
Increased by:			
Accounts Payable - Open Space Trust	B-11	\$ 1,829,765.55	
Accounts Payable - Various Trust Deposits	B-12	<u>148,801.39</u>	
			\$ <u>1,978,566.94</u>
Decreased by:			
Transfer to Open Space Trust	B-11	\$ 4,243,674.51	
Transfer to Various Trust Deposits	B-12	<u>508,305.91</u>	
			\$ <u>6,730,547.36</u>
			<u>4,751,980.42</u>
Balance, December 31, 2011	B		\$ <u><u>1,978,566.94</u></u>

"B-10"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	B:B-10	\$ <u>495,754.52</u>

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2011</u>
79-19	Middle Brook Sewers Contract 144A/B	\$ 46,066.99
87-20A	Ethicon Lawns	21,687.53
87-20	Ethicon Lawns	<u>428,000.00</u>
		\$ <u>495,754.52</u>

REF. B:B-10

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE TRUST DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2010	B		\$ 11,397,269.22
Increased by:			
Receipts	B-2	\$ 571,384.62	
Accounts Payable	B-9	<u>4,243,674.51</u>	
			<u>4,815,059.13</u>
			\$ <u>16,212,328.35</u>
Decreased by:			
Disbursements	B-2	\$ 5,246,315.76	
Accounts Payable	B-9	<u>1,829,765.55</u>	
			<u>7,076,081.31</u>
Balance, December 31, 2011	B		\$ <u><u>9,136,247.04</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>RECEIPTS</u>	<u>EXPENDITURES</u>	<u>BALANCE DECEMBER 31, 2011</u>
Escrow/Other Accounts	\$ 946,052.20	\$ 255,678.89	\$ 363,283.11	\$ 838,447.98
Public Defender	37,895.43	15,422.50	14,400.00	38,917.93
Police Offense Adjudication Act	4,248.00	145.00		4,393.00
Law Enforcement Trust	11,354.07	9,000.39	6,701.00	13,653.46
Fire Fines and Penalties	20,855.11	8,325.00	2,736.91	26,443.20
Fire Penalties Due Departments	6,150.00	8,200.00	5,250.00	9,100.00
Salary Settlements	11,150.51	164,868.68	147,931.16	28,088.03
COAH	5,119,934.56	614,783.17	535,024.03	5,199,693.70
Site Inspections	533,528.19	185,396.23	290,063.21	428,861.21
Performance Bonds	2,240,856.47	308,543.26	612,013.05	1,937,386.68
Professional Fees Escrow	523,520.23	513,860.14	483,084.09	554,296.28
Police Outside Overtime	142,652.31	706,547.19	703,568.89	145,630.61
Tax Premiums	389,600.00	281,600.00	278,600.00	392,600.00
Payroll Deductions Payable	158,981.01	10,323,688.33	10,258,458.22	224,211.12
Outside Lien Redemptions	107,672.87	1,102,886.56	1,062,357.77	148,201.66
Third Party Inspections	251,900.80	732,045.00	774,233.80	209,712.00
Maintenance Escrow	33,162.83	23,467.20		56,630.03
	<u>\$ 10,539,514.59</u>	<u>\$ 15,254,457.54</u>	<u>\$ 15,537,705.24</u>	<u>\$ 10,256,266.89</u>
	B			B
Disbursements			\$ 15,387,996.40	
Accounts Payable			148,801.39	
Canceled			907.45	
			<u>\$ 15,537,705.24</u>	
Receipts				
Accounts Payable	\$ 14,746,151.63			
	<u>508,305.91</u>			
	\$ 15,254,457.54			

A detailed analysis of the various deposits is on file in the office of the Township Treasurer.

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2010	B		\$ 22,756.34
Increased by:			
Cat License Fees Collected		\$ 798.00	
Dog License Fees Collected		12,360.00	
Late Fees		1,244.00	
Kennel/Pet Shop Licenses		75.00	
	B-2		<u>14,477.00</u>
			\$ <u>37,233.34</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2	\$ 2,244.40	
Accounts Payable	B-15	1,286.00	
Excess Reserve for Expenditures Due Current Fund	B-16	7,653.74	
			<u>11,184.14</u>
Balance, December 31, 2011	B		\$ <u><u>26,049.20</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2010	\$ 13,061.40
2009	<u>12,987.80</u>
	\$ <u><u>26,049.20</u></u>

"B-14"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE STATE DEPARTMENT OF HEALTH - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 5.40
Increased by:		
State Registration Fees Collected	B-2	<u>3,066.00</u>
		\$ 3,071.40
Decreased by:		
Paid to State Department of Health	B-2	<u>3,069.00</u>
Balance, December 31, 2011	B	<u><u>\$ 2.40</u></u>

"B-15"

SCHEDULE OF ACCOUNTS PAYABLE - ANIMAL CONTROL TRUST FUND

Balance, December 31, 2010	B	\$ 437.00
Increased by:		
Accounts Payable	B-13	<u>1,286.00</u>
		\$ 1,723.00
Decreased by:		
Paid to State Department of Health	B-2	<u>437.00</u>
Balance, December 31, 2011	B	<u><u>\$ 1,286.00</u></u>

"B-16"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>	
Increased by:		
Excess Reserve for Animal Control Expenditures	B-13	\$ <u>7,653.74</u>
Balance, December 31, 2011 (Due To)	B	\$ <u><u>7,653.74</u></u>

"B-17"

SCHEDULE OF DUE CURRENT FUND - OTHER TRUST FUND

Balance, December 31, 2010 (Due From)	B	\$ 747,015.62
Increased by:		
Disbursements	B-2	<u>6,533.86</u>
		\$ <u>753,549.48</u>
Decreased by:		
Receipts	B-2	\$ 3,345.83
Canceled	B-12	<u>907.45</u>
		<u>4,253.28</u>
Balance, December 31, 2011 (Due From)	B	\$ <u><u>749,296.20</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE SEWER OPERATING FUND - TRUST OTHER FUND

	<u>REF.</u>	
Increased by:		
Disbursements	B-2	\$ <u>19.00</u>
Balance, December 31, 2011 (Due From)	B	\$ <u><u>19.00</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2010	C		\$ 234,428.26
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-7	\$ 100,000.00	
Bond Anticipation Notes	C-12	16,024,534.00	
Premium on Note	C-1	133,154.06	
Reserve for Debt Service	C-14	3,332.50	
Deferred Charges to Future Taxation: Unfunded	C-6	<u>250,000.00</u>	
			<u>16,511,020.56</u>
			\$ <u>16,745,448.82</u>
Decreased by Disbursements:			
Contracts Payable	C-16	\$ 2,255,651.63	
Due Open Space Trust Fund	C-10	500,107.16	
Due Sewer Utility Operating Fund	C-8	99.68	
Fund Balance-Utilized as Current Fund Revenue	C-1	130,000.00	
Reserve for Debt Service	C-14	153,750.00	
Bond Anticipation Notes	C-12	<u>6,600,000.00</u>	
			<u>9,639,608.47</u>
Balance, December 31, 2011	C		\$ <u><u>7,105,840.35</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER <u>31, 2011</u>
Capital Improvement Fund	\$ 157,318.30
Fund Balance	339,309.30
Due Open Space Trust Fund	(107.16)
Due Sewer Utility Operating Fund	(99.68)
Reserve for Capital Projects	1,638,508.75
Reserve for Debt Service	101,900.16
Contracts Payable	2,554,646.66
Unexpended Proceeds of Bond Anticipation Notes (Listed on C-6)	4,803,990.73
Funded Improvement Authorizations	661,531.18
Unfunded Improvements Expended (Listed on C-6)	<u>(3,151,157.89)</u>
	<u>\$ 7,105,840.35</u>

REF. C

"C-4"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	C	\$ <u>1,638,508.75</u>

"C-5"

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2010	C	\$ 38,932,044.69
Increased by:		
Improvement Authority Loan	C-17	<u>233,109.01</u>
		\$ 39,165,153.70
Decreased by:		
Improvement Authority Loans Paid by Budget	C-17	\$ 180,944.91
Green Acres Loans Paid by Budget	C-15	118,917.26
Infrastructure Loans Paid by Budget	C-13	52,881.48
Bonds Paid by Budget	C-11	<u>1,340,000.00</u>
		<u>1,692,743.65</u>
Balance, December 31, 2011	C	\$ <u>37,472,410.05</u>

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	2011 AUTHORIZATION	DECREASED	BALANCE DECEMBER 31, 2011	BOND ANTICIPATION NOTES	ANALYSIS OF BALANCE, DECEMBER 31, 2011	
							EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
02-07/03-22	Resurfacing & Reconstruction of Certain Roadways	\$ 61,200.00	\$	\$	\$ 61,200.00		\$	
02-20/03-03	Various Improvements	72,812.45			72,812.45			
02-21	Amounts Owed to Others for Taxes Levied	0.90			0.90			
03-05	Revision of Township Codebook	19,047.60			19,047.60			
05-34	Road Improvements - Milltown Road	299,650.00			299,650.00			
05-35	Various Drainage Improvements	197,435.00			197,435.00			
05-48	Parks Improvements	74,991.00			74,991.00			72,261.69
05-50	Preparation of Master Drainage Plan	118,000.00			118,000.00			197,435.00
05-51	Drainage and Resurfacing - Carteret Road	77,934.00			77,934.00			15,173.75
05-13	Various Improvements	208,701.00		15,000.00	193,701.00			77,934.00
06-14	Various Road Improvements	2,283,543.00		60,000.00	2,223,543.00			
06-15	Various Drainage Improvements	1,971,107.00		20,000.00	1,951,107.00			357,191.80
06-29	Various Park and Municipal Building Improvements	315,292.00		20,000.00	295,292.00			554,746.00
06-30	Public Works Equipment	283,942.00		35,000.00	248,942.00			
07-02	Construction of Municipal Complex	1,400,000.00			1,400,000.00			218,500.77
07-03	Road and Drainage Improvements	3,066,257.00		60,000.00	3,006,257.00			247,900.00
07-04	Various Park Improvements	113,308.00		10,000.00	103,308.00			
07-05	Public Works Equipment	220,400.00		30,000.00	190,400.00			
08-03	Various Road and Drainage Improvements	3,405,750.00			3,405,750.00			
08-04	Public Works Equipment	251,750.00			251,750.00			
09-07	Various Improvements	1,673,140.00			1,673,140.00			
09-08	Public Works Equipment	226,860.00			226,860.00			
10-03	Various Improvements	3,247,000.00			3,247,000.00			
10-23	Various Improvements	198,075.00			198,075.00			
10-29	Public Works Equipment	55,955.00			55,955.00			
10-30	Reconstruction of Basketball and Tennis Courts at Harry Alley Park	142,500.00			142,500.00			71,548.00
11-06	Various Improvements		154,615.00		154,615.00			
11-07	Various Improvements		1,976,000.00		1,976,000.00			766,443.71
		\$ 19,984,650.95	\$ 2,130,615.00	\$ 250,000.00	\$ 21,865,265.95	\$ 16,024,534.00	\$ 3,151,157.89	\$ 2,689,574.06

REF

Improvement Authorizations Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes

C-9
C-3

C-12
C-3

"C-7"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 169,453.30
Increased by:		
2011 Budget Appropriation	C-2	100,000.00
		<u>\$ 269,453.30</u>
Decreased by:		
Appropriated to Finance Improvements	C-9	112,135.00
Balance, December 31, 2011	C	<u>\$ 157,318.30</u>

"C-8"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Decreased by:		
Disbursements	C-2	\$ 99.68
Balance, December 31, 2011(Due From)	C	<u>\$ 99.68</u>

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance	BALANCE - DECEMBER 31, 2010		2011 AUTHORIZATIONS		EXPENDED	CONTRACTS PAYABLE CANCELED	BALANCE - DECEMBER 31, 2011	
	FUNDED	UNFUNDED	\$	\$			FUNDED	UNFUNDED
92-30, 00-11, 01-08 General Road Improvement	\$ 13,777.99	\$	\$	\$			\$ 13,777.99	\$
01-18 Drainage Study & Improvement - Various Locations	1,086.81					4,360.00	5,446.81	
01-36 Crosswalks and Sidewalks - Various Roads	38,582.76						38,582.76	
03-20 Reconstruction of Oak Street	56,374.11				50,096.60		6,277.51	
04-12 Various Drainage Improvements	11,611.73						11,611.73	
04-13 Reconstruction of Northern Thomee Area Roads	39,226.11						39,226.11	
04-14 Reconstruction of Stella Drive Area	30,369.14						30,369.14	
04-18 Drainage Improvements at Hillside, Prospect, and Orchard Roads	17,665.64						17,665.64	
05-30 Various Drainage Improvements	185,048.87						185,048.87	
05-31 Road Improvements - Pearl Street & Sycamore Road	74,425.49				8,996.80		65,428.69	
05-32 Various Road and Drainage Improvements	8,220.55						9,626.05	
05-33 Various Road Improvements	13,429.86						56,833.98	
05-34 Road Improvements - Milltown Road		73,867.45						73,867.45
05-35 Various Drainage Improvements		197,435.00						197,435.00
05-36 Drainage Improvements - East Brook Area	24,843.76						24,843.76	
05-37 Various Drainage Improvements	90,511.82					34,004.09	56,507.73	
05-38 2005 Road Overlay Program	14,480.15						14,480.15	
05-39 2005 Chip and Seal Program								
05-48 Parks Improvements		28,759.01			13,585.26			15,173.75
05-50 Preparation of Master Drainage Plan	7,272.47							110,439.34
05-51 Drainage and Resurfacing - Carteret Road		77,934.00				67.00		77,934.00
06-13 Various Improvements		19,273.88			128.65			19,145.23
06-14 Various Road Improvements		294,249.02						357,191.80
06-15 Various Drainage Projects		421,594.34						633,407.63
06-29 Various Park & Municipal Building Improvements		14,395.57			22,437.07			19,401.54
06-30 Public Works Equipment		41,838.61			165.34			14,230.23
07-02 Construction of Municipal Complex		227,843.53			9,342.76			218,500.77
07-03 Road and Drainage Improvements		537,372.21						587,659.50
07-04 Various Park Improvements		95,945.12				50,287.29		6,082.75
07-05 Public Works Equipment		7,243.35			89,862.37			7,188.66
08-03 Various Road and Drainage Improvements		1,304,243.11			54.69			1,261,078.09
08-04 Public Works Equipment		33,500.86			43,165.02			33,348.27
09-07 Various Improvements		1,117,155.31			152.59			712,012.01
09-08 Public Works Equipment		35,613.00			405,143.30			35,475.50
10-03 Various Improvements		3,128,398.67			137.50			2,233,841.87
10-23 Various Improvements		26,419.98			894,557.80			28,709.92
10-29 Public Works Equipment		5,925.80				2,289.94		5,891.89
10-30 Reconstruction of Basketball & Tennis Courts at Harry Alley Park	7,050.00							9,163.64
11-06 Various Improvements		142,500.00						71,548.00
11-07 Various Improvements								766,443.71
	\$ 644,433.87	\$ 7,938,754.27	\$ 2,242,750.00	\$ 3,084,610.07	\$ 413,767.90	\$ 661,531.18	\$ 7,493,564.79	
	C	C	C-16	C-16	C-16	C	C-16	C-C-6
Deferred Charges To Future Taxation - Unfunded			\$ 2,130,615.00					
Capital Improvement Fund			112,135.00					
			\$ 2,242,750.00					

REF.

C-6
C-7

"C-10"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE OPEN SPACE TRUST FUND

	<u>REF.</u>	
Balance December 31, 2010 (Due To)	C	\$ 500,000.00
Decreased by:		
Disbursements	C-2	<u>500,107.16</u>
Balance December 31, 2011 (Due From)	C	\$ <u><u>107.16</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
General Improvements	10/02/03	\$ 11,145,000.00	10/2/12 - 2013	\$ 640,000.00	3.500%	\$	\$	
			10/02/2014	640,000.00	3.625%			
			10/02/2015	640,000.00	3.750%			
			10/2/16 - 2017	640,000.00	4.000%			
			10/02/2018	640,000.00	4.100%			
			10/2/19 - 2020	640,000.00	4.200%			
			10/02/2021	640,000.00	4.300%			
			10/02/2022	635,000.00	4.400%			
			07/15/2012	450,000.00	4.125%			
			07/15/2013	475,000.00	4.125%			
General Improvements	7/15/07	7,992,000.00	07/15/2014	500,000.00	4.125%	7,675,000.00	640,000.00	7,035,000.00
			07/15/2015	525,000.00	4.125%			
			07/15/2016	550,000.00	4.125%			
			07/15/2017	575,000.00	4.125%			
			07/15/2018	600,000.00	4.125%			
			07/15/2019	675,000.00	4.125%			
			07/15/2020	700,000.00	4.125%			
			07/15/2021	700,000.00	4.125%			
			07/15/2022	692,000.00	4.125%			
			09/01/2012	600,000.00	2.000%			
General Improvements	9/1/10	22,500,000.00	09/01/2013	650,000.00	2.000%	6,867,000.00	425,000.00	6,442,000.00
			09/01/2014	700,000.00	2.250%			
			09/01/2015	750,000.00	2.250%			
			09/01/2016	800,000.00	3.000%			
			09/01/2017	850,000.00	3.000%			
			09/01/2018	900,000.00	3.000%			
			09/01/2019	925,000.00	3.250%			
			09/01/2020	975,000.00	3.250%			
			9/1/21-2022	975,000.00	3.500%			
			9/1/23-2025	975,000.00	4.000%			
9/1/26-2034	1,000,000.00	4.000%						
09/01/2035	1,100,000.00	4.125%						
						\$ 22,400,000.00	\$ 275,000.00	\$ 22,125,000.00
						\$ 36,942,000.00	\$ 1,340,000.00	\$ 35,602,000.00
						C	C-5	C
						REF.		

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2010	INCREASED	DECREASED	BALANCE DECEMBER 31, 2011
06-13	Various Improvements	08/30/07	08/12/10	08/11/11	2.00%	\$ 208,701.00	\$	\$ 208,701.00	\$
06-14	Various Road Improvements	08/30/07	08/12/10	08/11/11	2.00%	1,697,143.00		1,697,143.00	
06-15	Various Drainage Improvements	08/30/07	08/12/10	08/11/11	2.00%	942,857.00		942,857.00	
06-29	Various Park Improvements	08/30/07	08/12/10	08/11/11	2.00%	315,292.00		315,292.00	
06-30	Acquisition of Public Works Equipment	08/30/07	08/12/10	08/11/11	2.00%	283,942.00		283,942.00	
07-03	Various Improvements	08/30/07	08/12/10	08/11/11	2.00%	2,818,357.00		2,818,357.00	
07-04	Various Park Improvements	08/30/07	08/12/10	08/11/11	2.00%	113,308.00		113,308.00	
07-05	Acquisition of Public Works Equipment	08/30/07	08/12/10	08/11/11	2.00%	220,400.00		220,400.00	
06-13	Various Improvements	08/30/07	08/10/11	04/19/12	1.25%		193,701.00		193,701.00
06-14	Various Road Improvements	08/30/07	08/10/11	04/19/12	1.25%		1,637,143.00		1,637,143.00
06-15	Various Drainage Improvements	08/30/07	08/10/11	04/19/12	1.25%		922,857.00		922,857.00
06-29	Various Park Improvements	08/30/07	08/10/11	04/19/12	1.25%		295,292.00		295,292.00
06-30	Acquisition of Public Works Equipment	08/30/07	08/10/11	04/19/12	1.25%		248,942.00		248,942.00
07-03	Various Improvements	08/30/07	08/10/11	04/19/12	1.25%		2,758,357.00		2,758,357.00
07-04	Various Park Improvements	08/30/07	08/10/11	04/19/12	1.25%		103,308.00		103,308.00
07-05	Acquisition of Public Works Equipment	08/30/07	08/10/11	04/19/12	1.25%		190,400.00		190,400.00
06-15	Various Drainage Improvements	08/30/07	04/20/11	04/19/12	1.50%		473,504.00		473,504.00
08-03	Various Road and Drainage Improvements	04/20/11	04/20/11	04/19/12	1.50%		3,405,750.00		3,405,750.00
08-04	Various Road and Drainage Improvements	04/20/11	04/20/11	04/19/12	1.50%		251,750.00		251,750.00
09-07	Public Works Equipment	04/20/11	04/20/11	04/19/12	1.50%		1,673,140.00		1,673,140.00
09-08	Public Works Equipment	04/20/11	04/20/11	04/19/12	1.50%		226,860.00		226,860.00
10-03	Various Improvements	04/20/11	04/20/11	04/19/12	1.50%		3,247,000.00		3,247,000.00
10-23	Various Improvements	04/20/11	04/20/11	04/19/12	1.50%		198,075.00		198,075.00
10-29	Public Works Equipment	04/20/11	04/20/11	04/19/12	1.50%		55,955.00		55,955.00
10-30	Reconstruction of Basketball and Tennis Court	04/20/11	04/20/11	04/19/12	1.50%		142,500.00		142,500.00
						\$ 6,600,000.00	\$ 16,024,534.00	\$ 6,600,000.00	\$ 16,024,534.00

REF.

C-C-6

C-2-C-6

C-2

C

"C-13"

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR INFRASTRUCTURE LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 645,916.01
Decreased by:		
Payment on Loan	C-5	<u>52,881.48</u>
Balance, December 31, 2011	C	<u>\$ 593,034.53</u>

"C-14"

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

Balance, December 31, 2010	C	\$ 252,317.66
Increased by:		
Receipts	C-2	<u>3,332.50</u>
Decreased by:		\$ <u>255,650.16</u>
Disbursements	C-2	<u>153,750.00</u>
Balance, December 31, 2011	C	<u>\$ 101,900.16</u>

"C-15"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 1,043,058.34
Decreased by:		
Payment on Loans	C-5	<u>118,917.26</u>
Balance, December 31, 2011	C	<u>\$ 924,141.08</u>

"C-16"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Balance, December 31, 2010	C	\$ 2,139,456.12
Increased by:		
Charges to Improvement Authorizations	C-9	<u>3,084,610.07</u>
		\$ <u>5,224,066.19</u>
Decreased by:		
Disbursements	C-2	\$ 2,255,651.63
Canceled - Improvement Authorizations	C-9	<u>413,767.90</u>
		<u>2,669,419.53</u>
Balance, December 31, 2011	C	<u>\$ 2,554,646.66</u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 301,070.34
Increased by:		
Improvement Authority Loans	C-5	233,109.01
		<u>\$ 534,179.35</u>
Decreased by:		
Payment on Loans	C-5	<u>180,944.91</u>
Balance, December 31, 2011	C	<u><u>\$ 353,234.44</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES
AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31, 2011</u>
02-07:03-22	Resurfacing & Reconstruction of Certain Roadways	\$ 61,200.00
02-20-03-03	Various Improvements	72,812.25
02-21	Amounts Owing to Others for Taxes Levied	0.90
03-05	Revision of Township Codebook	19,047.60
05-34	Road Improvements Milltown Road	299,650.00
05-35	Various Drainage Improvements	197,435.00
05-48	Parks Improvements	74,991.00
05-50	Preparation of Master Drainage Plan	118,000.00
05-51	Drainage and Resurfacing - Carteret Road	77,934.00
06-14	Various Road Improvements	586,400.00
06-15	Various Drainage Projects	554,746.00
07-02	Construction of Municipal Complex	1,400,000.00
07-03	Road and Drainage Improvements	247,900.00
11-06	Various Improvements	154,615.00
11-07	Various Improvements	1,976,000.00
		<hr/>
		\$ <u>5,840,731.75</u>

TOWNSHIP OF BRIDGEWATERSEWER UTILITY FUNDSCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>ASSESSMENT TRUST</u>	<u>CAPITAL</u>
Balance, December 31, 2010	D	\$ <u>4,780,728.94</u>	\$ <u>11,432.42</u>	\$ <u>287,878.77</u>
Increased by Receipts:				
Sewer Charges Receivable	D-14	\$ 9,498,591.79	\$	\$
Miscellaneous Revenue Not Anticipated	D-1:D-4	150,485.63		
Interfunds	D-11:D-23:D-32	230,118.68	6.54	16,796.77
Sewer Utility Liens Receivable	D-28	3,308.18		
Sewer Connection Charges Receivable	D-13	18,700.00		
Sewer Overpayments	D-22	40,821.15		
Interest on Investments and Deposits	D-1:D-4	20,446.59		
Township of Branchburg - Share of Operating Costs	D-1:D-4	20,000.00		
Township of Warren - Debt Service	D-1:D-4	73,350.34		
Prepaid Sewer Charges	D-27	8,476.00		
Environmental Infrastructure Loan Receivable	D-33			253,102.00
		\$ <u>10,064,298.36</u>	\$ <u>6.54</u>	\$ <u>269,898.77</u>
		\$ <u>14,845,027.30</u>	\$ <u>11,438.96</u>	\$ <u>557,777.54</u>
Decreased by Disbursements:				
2011 Budget Appropriations	D-5	\$ 7,668,271.18	\$	\$
2010 Appropriation Reserves	D-20	248,404.13		
Interfunds	D-11	218,195.87		
Sewer Overpayments	D-22	5,692.45		
Accrued Interest on Bonds	D-12	40,468.29		
Miscellaneous Revenue Not Anticipated	D-1	1,189.63		
Accounts Payable	D-19	12,430.00		
Contracts Payable	D-26			305,789.95
Refund of Prior Year Revenue	D-1	3,597.35		
		\$ <u>8,198,248.90</u>	\$	\$ <u>305,789.95</u>
Balance, December 31, 2011	D:D-7:D-8	\$ <u>6,646,778.40</u>	\$ <u>11,438.96</u>	\$ <u>251,987.59</u>

"D-7"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF ASSESSMENT FUND CASH

	BALANCE DECEMBER <u>31, 2011</u>
Fund Balance	\$ 11,392.66
Due Sewer Operating Fund	<u>46.30</u>
	<u>\$ 11,438.96</u>

REF.

D:D-6

"D-8"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

BALANCE
DECEMBER
31, 2011

SEWER:

Fund Balance	\$	69,528.24
Contract Payable		131,138.58
Environmental Infrastructure Trust Loan Receivable		(88,677.00)
Improvement Authorizations - Funded:		
Ord. # 01-19/04-01 Design & Upgrade to Gilbride Pump Station		69,894.44
Ord. # 01-34 Infiltration & Inflow Program in Finderne Section		89,825.93
Ord. # 01-35 Purchase of Portable Color TV Insp. System		2,074.90
Ord. # 09-10 Improvements to Sanitary Sewer System		28,275.80
Authorized but not Issued		(637,822.87)
Unfunded Improvements Expended		<u>587,749.57</u>
	\$	<u><u>251,987.59</u></u>

REF.

D:D-6

"D-9"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2010
and December 31, 2011

D

\$ 100.00

"D-10"

SCHEDULE OF AMOUNT DUE WARREN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Balance, December 31, 2010
and December 31, 2011

D

\$ 24,188.06

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	SEWER UTILITY CAPITAL FUND	SEWER ASSESSMENT TRUST FUND	TRUST FUND	GENERAL CAPITAL FUND	CURRENT FUND
Balance, December 31, 2010						
Due To	\$ 16,796.77	\$ 16,796.77	\$	\$	\$	\$
Due From	1,773.38		39.76			1,733.62
Receipts	\$ 230,118.68	\$	\$	19.00	99.68	230,000.00
Disbursements	218,195.87	16,796.77	6.54			201,392.56
Tax Overpayment Applied	266.00					266.00
Balance, December 31, 2011						
Due To	\$ 26,726.50	\$	\$	19.00	99.68	26,607.82
Due From	46.30		46.30			

"D-12"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

	<u>REF.</u>	
Balance, December 31, 2010	D	\$ 34,570.61
Increased by:		
Budget Appropriation Charges	D-5	40,049.00
		\$ <u>74,619.61</u>
Decreased by:		
Interest Paid	D-6	<u>40,468.29</u>
Balance, December 31, 2011	D	\$ <u><u>34,151.32</u></u>

"D-13"

SCHEDULE OF CONNECTION CHARGES RECEIVABLE

Balance, December 31, 2010 (Overpayment)	D	\$ 550.00
Increased by:		
Charges Levied	D-1:D-4	18,700.00
		\$ <u>19,250.00</u>
Decreased by:		
Collections	D-6	<u>18,700.00</u>
Balance, December 31, 2011(Overpayment)	D	\$ <u><u>550.00</u></u>

"D-14"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2010	D		\$ 356,896.54
Increased by:			
Sewer Charges Levied (Net)			9,803,340.14
			<u>\$ 10,160,236.68</u>
Decreased By:			
Collections	D-6	\$ 9,498,591.79	
Prepaid Applied	D-27	10,762.12	
Transfer to Liens	D-28	2,434.00	
Sewer Overpayments Applied	D-22	42,465.05	
Tax Overpayments Applied	D-11	266.00	
Canceled		<u>5,729.66</u>	
			<u>9,560,248.62</u>
Balance, December 31, 2011	D		<u>\$ 599,988.06</u>

"D-15"

SCHEDULE OF RESERVE FOR ASSESSMENTS AND LIENS

Balance, December 31, 2010 and December 31, 2011	D		<u>\$ 995,438.44</u>
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"D-16"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>BALANCE DECEMBER 31, 2010 & 2011</u>
01-19:04-01	Design & Upgrade to Gilbride Pump Station	06/18/01	\$ 1,264,500.00
01-34	Infiltration & Inflow Program in Finderne Section	11/19/01	100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	120,000.00
06-12	Pick-Up Truck w / Snow Plow	04/03/06	50,000.00
09-10	Improvements to the Sanitary Sewer System	06/15/09	<u>1,300,000.00</u>
			<u>\$ 2,834,500.00</u>
		<u>REF.</u>	D

"D-17"

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2010 & 2011</u>	
Bridgewater Trunk Sewer	\$ 1,040,000.00	
Somerset Shopping Center Trunk Sewer Crossing #3 Trunk Sewer and North Branch Trunk Sewer Section 2	1,200,000.00	
North Branch Trunk Sewer Connection	2,915,519.36	
Vanderveer Trunk	300,000.00	
Improvements to Ivy Lane	126,034.63	
Purchase of Equipment	290,930.87	
Middlebrook Trunk Sewer Connection	<u>8,588,727.14</u>	
	<u>\$ 14,461,212.00</u>	
	<u>REF.</u>	D

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF CONFIRMATION</u>	<u>INSTALLMENTS</u>	<u>DUE DATES</u>	<u>BALANCE DECEMBER 31, 2010 & 2011</u>	<u>BALANCE PLEDGED TO RESERVE</u>
76-13	Sunset Lake Section II Sewer	02/24/83	10	3/24/83-92	\$ 845.99	\$ 845.99
76-3	Milltown Road Sewer	05/21/84	10	6/21/84-93	7,948.00	7,948.00
80-17	Crossing #4 Sewer	08/11/86	10	9/11/86-95	29,386.11	29,386.11
79-19	Middle Brook Collector	02/22/90	10	3/22/90-99	15,795.76	15,795.76
					<u>\$ 53,975.86</u>	<u>\$ 53,975.86</u>

REF.

D

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010	D		\$ 177,429.80
Increased by:			
2011 Appropriations	D-5	\$ 795,519.21	
2010 Appropriation Reserves	D-20	7,155.46	
Sewer Use Charge Overpayments	D-22	<u>524.33</u>	
			<u>803,199.00</u>
			\$ 980,628.80
Decreased by:			
Disbursements	D-6	\$ 12,430.00	
Accounts Payable Canceled	D-1	33,186.79	
2010 Appropriation Reserves	D-20	<u>131,813.01</u>	
			<u>177,429.80</u>
Balance, December 31, 2011	D		\$ <u><u>803,199.00</u></u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 42,076.83	\$ 42,076.83	\$ 1,204.52	\$ 40,872.31
Other Expenses	49,508.51	211,320.32	198,083.77	13,236.55
Somerset Raritan Valley Sewerage Authority	1,146,749.16	1,137,779.36		1,137,779.36
Capital Improvements:				
Purchase of Sewer Truck	4,119.00	53,090.00	48,971.00	4,119.00
Statutory Expenditures:				
Contribution to Social Security System	79,390.22	9,390.22	7,300.30	2,089.92
	<u>\$ 1,321,843.72</u>	<u>\$ 1,453,656.73</u>	<u>\$ 255,559.59</u>	<u>\$ 1,198,097.14</u>
	D			D-1
Balance, December 31, 2010	\$	\$ 1,321,843.72		
Transfer of Accounts Payable		131,813.01		
		<u>\$ 1,453,656.73</u>		
Disbursements			\$ 248,404.13	
Accounts Payable			<u>7,155.46</u>	
			<u>\$ 255,559.59</u>	

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010 AND 2011</u>	<u>BALANCE PLEGDED TO RESERVE</u>
68-25/80-17	Crossing #4 Section I Area Sewers	\$ 37,376.22	\$ 37,376.22
76-6/79-20	Sunset Lake Sewers	524,086.36	524,086.36
78-16	Bluestone Lane Sewers	190,000.00	190,000.00
79-29	North Branch Drive Sewers	190,000.00	190,000.00
		<u>\$ 941,462.58</u>	<u>\$ 941,462.58</u>

REF. D

"D-22"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGE OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2010	D		\$ 65,752.15
Increased by:			
Receipts	D-6		<u>40,821.15</u>
			\$ <u>106,573.30</u>
Decreased by:			
Overpayments Applied	D-14	\$ 42,465.05	
Overpayments Canceled	D-1	9.92	
Accounts Payable	D-19	524.33	
Refunded	D-6	<u>5,692.45</u>	
			<u>48,691.75</u>
Balance, December 31, 2011	D		\$ <u><u>57,881.55</u></u>

"D-23"

SEWER ASSESSMENT TRUST FUND

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance December 31, 2010 (Due To)	D		\$ 39.76
Increased by:			
Receipts	D-6		<u>6.54</u>
Balance December 31, 2011 (Due To)	D		\$ <u><u>46.30</u></u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE DECEMBER 31, 2010 & 2011</u>
01-19:04-01	Design and Upgrade to Gilbride Pump Station	06/18/01	\$ 1,236,450.00
01-34	Infiltration and Inflow Program in Finderne Section	11/19/01	100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	<u>120,000.00</u>
			<u>\$ 1,456,450.00</u>
		<u>REF.</u>	D

"D-25"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2010	D		\$ 13,481,871.65
Increased by:			
EIT Loan Payable Paid by Operating Budget	D-31	\$ 32,398.28	
Serial Bonds Paid by Operating Budget	D-30	<u>95,000.00</u>	
			<u>127,398.28</u>
Balance, December 31, 2011	D		\$ <u>13,609,269.93</u>

"D-26"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2010	D		\$ 364,816.53
Increased by:			
Charges to Improvement Authorizations	D-29		<u>72,112.00</u>
			\$ <u>436,928.53</u>
Decreased by:			
Disbursements	D-6		<u>305,789.95</u>
Balance, December 31, 2011	D		\$ <u>131,138.58</u>

"D-27"

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY FUND
SCHEDULE OF PREPAID SEWER CHARGES

	<u>REF.</u>	
Balance, December 31, 2010	D	\$ 10,762.12
Increased by:		
Receipts	D-6	8,476.00
		\$ <u>19,238.12</u>
Decreased by:		
Prepaid Applied	D-14	<u>10,762.12</u>
Balance, December 31, 2011	D	\$ <u><u>8,476.00</u></u>

"D-28"

SCHEDULE OF RESERVE FOR SEWER UTILITY LIENS RECEIVABLE

Balance, December 31, 2010	D	\$ 874.18
Increased by:		
2011 Sewer Charges Accrued	D-14	<u>2,434.00</u>
Decreased by:		
Receipts	D-6	\$ <u><u>3,308.18</u></u>

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE, DECEMBER 31, 2010		PAID OR CHARGED	BALANCE, DECEMBER 31, 2011	
			FUNDED	UNFUNDED		FUNDED	UNFUNDED
Capital:							
01-19:04-01	Design & Upgrade to Gilbride Pump Station	\$ 729,000.00	\$ 69,894.44	\$ 1,275.00	\$	\$ 69,894.44	\$ 1,275.00
01-34	Infiltration & Inflow Program in Findeme Section	100,000.00	89,825.93			89,825.93	
01-35	Purchase of Portable Color TV Inspection System to Evaluate & Maintain Mun. Sanitary Collection	120,000.00	2,074.90			2,074.90	
06-12	Pick-Up Truck w/ Snow Plow	50,000.00		307.57			307.57
09-10	Improvements to the Sanitary Sewer System	1,300,000.00	100,387.80	586,167.00	72,112.00	28,275.80	586,167.00
		\$	262,183.07	587,749.57	72,112.00	190,071.07	587,749.57

REF.

D

D

D-26

D

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TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER SERIAL BONDS PAYABLE

DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING DECEMBER 31, 2011	INTEREST RATE	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2011
Sewer Utility Bonds	10/01/03	\$ 901,000.00	3.50%	\$	\$
		10/01/2013	3.625%		
		10/01/2014	3.75%		
		10/01/2015	4.00%		
		10/01/16-2017	4.10%		
		10/01/2018	4.20%		
		10/01/2019	4.125%		
		10/01/2020			
Sewer Utility Bonds	7/15/07	508,000.00	4.125%	596,000.00	536,000.00
		7/15/2012-2018			
		7/15/2019-2022			
				428,000.00	393,000.00
				\$ 1,024,000.00	\$ 929,000.00
				D	D
				D-25	D

REF.

"D-31"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2010	D	\$ 695,567.48
Decreased by:		
Loans Paid by Budget	D-25	<u>32,398.28</u>
Balance, December 31, 2011	D	\$ <u>663,169.20</u>

"D-32"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance, December 31, 2010 (Due To)	D	\$ 16,796.77
Decreased by:		
Disbursements	D-6	\$ <u>16,796.77</u>

"D-33"

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST RECEIVABLE

Balance, December 31, 2010	D	\$ 341,779.00
Decreased by:		
Receipts	D-6	<u>253,102.00</u>
Balance, December 31, 2011	D	\$ <u>88,677.00</u>

"D-34"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON LOANS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>3,125.00</u>

"D-35"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2011</u>
	Sewer Utility Capital Fund:	
98-11	Purchase of Equipment	\$ 380.87
01-19:04-01	Design & Upgrade to Gilbride Pump Station	1,275.00
06-12	Pick-Up Truck w / Snow Plow	50,000.00
09-10	Improvements to the Sanitary Sewer System	<u>586,167.00</u>
		\$ <u>637,822.87</u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF DEFERRED CHARGES

	<u>REF.</u>	
Increased by:		
2011 Appropriations		
N.J.S.A. 40A:4-46 Flood Damage	D-1	\$ <u>23,000.00</u>
Balance, December 31, 2011	D	\$ <u><u>23,000.00</u></u>

TOWNSHIP OF BRIDGEWATER
PUBLIC ASSISTANCE TRUST FUND
SCHEDULE OF PUBLIC ASSISTANCE CASH

	<u>REF.</u>	<u>PUBLIC ASSISTANCE TRUST FUND 1</u>	<u>PUBLIC ASSISTANCE TRUST FUND 2</u>
Balance, December 31, 2010	E	\$ 5,146.30	\$ 136,004.14
Increased by Receipts:			
State Aid for Public Assistance and Other Receipts		670.27	451,695.11
Intra-Fund		<u>1,790.40</u>	<u>451,695.11</u>
		<u>2,460.67</u>	<u>451,695.11</u>
		\$ 7,606.97	\$ 587,699.25
Decreased by Disbursements:			
Reserve For:			
Public Assistance		1,243.50	434,346.26
Intra-Fund		<u>1,243.50</u>	<u>1,790.40</u>
		<u>1,243.50</u>	<u>436,136.66</u>
Balance, December 31, 2011	E	\$ <u>6,363.47</u>	\$ <u>151,562.59</u>

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND RECONCILIATION PER N.J.S.A.40A:5-5

Balance, December 31, 2011	\$ 157,926.06
Increased by:	
Receipts	729.47
	<u>\$ 158,655.53</u>
Decreased by:	
Disbursements	<u>71,468.53</u>
Balance, February 29, 2012	<u><u>\$ 87,187.00</u></u>

RECONCILIATION - FEBRUARY 29, 2012	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of TD Banknorth:			
Account #398-3034572	\$ 3,360.29	\$	\$ 3,360.29
PNC Bank:			
Account #80-3235-8177		94,571.53	94,571.53
Account #81-0395-2342	3,003.18		3,003.18
	<u>\$ 6,363.47</u>	<u>\$ 94,571.53</u>	<u>\$ 100,935.00</u>
Add: Prepayments		676.00	676.00
Less: Outstanding Checks		<u>(14,424.00)</u>	<u>(14,424.00)</u>
Balance, February 29, 2012	<u><u>\$ 6,363.47</u></u>	<u><u>\$ 80,823.53</u></u>	<u><u>\$ 87,187.00</u></u>

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION AS OF DECEMBER 31, 2011

Balance, December 31, 2010	\$	141,150.44
Increased by:		
Receipts		454,155.78
	\$	<u>595,306.22</u>
Decreased by:		
Disbursements		437,380.16
Balance, December 31, 2011	\$	<u><u>157,926.06</u></u>

RECONCILIATION - DECEMBER 31, 2011	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of TD Banknorth:			
Account #398-3034572	\$ 3,360.29	\$	\$ 3,360.29
PNC Bank:			
Account #80-3235-8177		171,219.31	171,219.31
Account #81-0395-2342	3,003.18		3,003.18
	<u>\$ 6,363.47</u>	<u>\$ 171,219.31</u>	<u>\$ 177,582.78</u>
Add: Prepayments		676.00	676.00
Less: Outstanding Checks (Per List on File)		(20,332.72)	(20,332.72)
Balance, December 31, 2010	<u>\$ 6,363.47</u>	<u>\$ 151,562.59</u>	<u>\$ 157,926.06</u>

"E-4"

TOWNSHIP OF BRIDGEWATER
PUBLIC ASSISTANCE TRUST FUND
SCHEDULE OF PUBLIC ASSISTANCE REVENUES
YEAR ENDED DECEMBER 31, 2011

	<u>P.A.T.F.</u> <u>ACCOUNT #1</u>	<u>P.A.T.F.</u> <u>ACCOUNT #2</u>	<u>FUND</u> <u>TOTAL</u>
State Aid Payments	\$	\$ 429,000.00	\$ 429,000.00
Supplemental Security Income:			
State / Municipal Refund		13,693.00	13,693.00
Interest and Other	<u>670.27</u>	<u>9,002.11</u>	<u>9,672.38</u>
<u>TOTAL REVENUES (P.A.T.F.)</u>	<u>\$ 670.27</u>	<u>\$ 451,695.11</u>	<u>\$ 452,365.38</u>

"E-5"

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

Current Year Assistance (Reported):			
Maintenance Payments		\$ 185,797.50	\$ 185,797.50
Other:			
Temporary Rental Assistance		165,160.14	165,160.14
Emergency Assistance		51,450.29	51,450.29
Transportation		683.80	683.80
Other		1,287.03	1,287.03
<u>Total Reported</u>		<u>\$ 404,378.76</u>	<u>\$ 404,378.76</u>
SSI:			
Reimbursements to Clients		29,869.50	29,869.50
Ineligible Assistance	\$ 1,243.50		1,243.50
Assistance Underclaimed		<u>98.00</u>	<u>98.00</u>
<u>TOTAL DISBURSEMENTS (P.A.T.F.)</u>	<u>\$ 1,243.50</u>	<u>\$ 434,346.26</u>	<u>\$ 435,589.76</u>

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TOWNSHIP OF BRIDGEWATER

PART II

SINGLE AUDIT SECTION

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

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR STATE FINANCIAL ASSISTANCE
PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 04-04

SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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E-mail info@scnco.com

INDEPENDENT AUDITOR'S 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

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

We have audited the accompanying financial statements - regulatory basis of the Township of Bridgewater, County of Somerset, New Jersey as of and for the year ended December 31, 2011, and have issued our report thereon dated March 26, 2012. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Bridgewater prepares its financial statements on a regulatory 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 U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Bridgewater's internal control over financial reporting as a basis for designing our audit 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 Bridgewater's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Bridgewater's internal control over financial reporting.

SUPLEE, CLOONEY & COMPANY

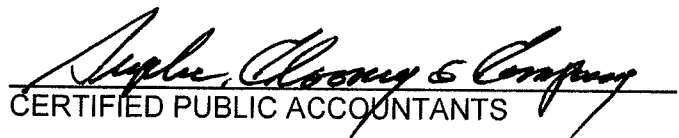
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township of Bridgewater's financial statements will not be prevented or detected and corrected on a timely basis.

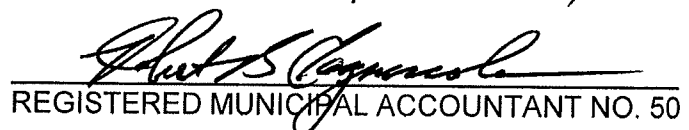
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Bridgewater's financial statements - regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information of the Township of Bridgewater, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

March 26, 2012



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR STATE
FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH NEW JERSEY OMB CIRCULAR 04-04

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

Compliance

We have audited the compliance of the Township of Bridgewater, County of Somerset, with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that are applicable to each of its major state programs for the year ended December 31, 2011. The Township of Bridgewater's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Township of Bridgewater's management. Our responsibility is to express an opinion on the Township of Bridgewater's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Township of Bridgewater's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Bridgewater's compliance with those requirements.

In our opinion, the Township of Bridgewater complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2011.

SUPLEE, CLOONEY & COMPANY

Internal Control Over Compliance

The management of the Township of Bridgewater is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Township of Bridgewater's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the Township of Bridgewater, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

March 26, 2012

TOWNSHIP OF BRIDGEWATER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2011

FEDERAL C.F.D.A. NUMBER	GRANTOR'S NUMBER	GRANT AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	2011 RECEIPTS	2011 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2011
<u>U. S. Department of Housing and Urban Development</u>							
<u>Pass -Through From County of Somerset</u>							
14.218	06-Y0601	\$ 7,776.00	9/1/09	8/31/10	\$ 2,665.00	\$ 5,633.05	\$ 5,633.05
Community Development Block Grants: Youth Development Program							
<u>U.S. Department of Justice</u>							
16.607		7,087.50	Continuous		\$	\$ 1,730.58	\$ 7,087.50
16.607		10,143.00	Continuous		226.00	586.92	586.92
16.710	99-SBWX-0041	2,700.00	Continuous		2,700.00		
<u>Pass -Through From County of Somerset</u>							
16.738	2009-SB-B9-1867	10,800.00	5/15/09	2/28/13	\$ 10,800.00	\$ 2,317.50	\$ 10,800.00
ARRA-Justice Assistance Grant (JAG) Program							
<u>U.S. Department of Transportation</u>							
20.613	OP10-1-01-09	5,500.00	10/1/09	9/30/10	\$	\$	\$ 5,500.00
20.613	OP11-21-01-13	4,000.00	10/1/10	9/30/11	3,992.50	3,992.50	3,992.50
20.613	OP12-21-01-01	4,000.00	10/1/11	9/30/12	\$	\$ 3,992.50	\$ 9,492.50
<u>U.S. Department of Energy</u>							
81.128	DE - EE0002430	199,200.00	9/29/09	9/28/12	\$	\$ 41,306.37	\$ 144,217.41
Energy Efficiency & Conservation Strategy							
<u>U.S. Department of Health and Human Services</u>							
93.069	10-949-BT-L-1	25,800.00	10/1/09	7/30/12	\$	\$ 14,323.61	\$ 14,323.61
93.069	N/A	10,000.00	1/1/11	6/17/11	\$ 9,815.65	\$ 9,815.65	\$ 9,815.65
<u>U.S. Department of Homeland Security</u>							
97.042	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous	Continuous	\$	\$ (0.74)	\$ 6,603.40
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous	Continuous	\$	\$	\$
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous	Continuous	\$	\$	\$
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous	Continuous	\$	\$	\$
97.078	2006-BZ-T6-0051	412,783.00	9/29/06	9/30/10	\$ 275,679.03	\$ 194,856.35	\$ 412,783.00
TOTAL FEDERAL FINANCIAL ASSISTANCE							
					\$ 305,678.18	\$ 272,244.29	\$ 672,614.04

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2011

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT AWARD AMOUNT	2011 RECEIPTS	2011 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2011
<u>Department of Environmental Protection</u>					
Clean Communities Program					
2010	4900-765-042-4900-004-VCMC-6020	77,955.83 \$		39,635.49 \$	77,955.83
2011	4900-765-042-4900-004-VCMC-6020	75,732.58	75,732.58	17,588.58	17,588.58
Recycling Tonnage Program					
2010	4900-752-042-4900-001-V42Y-6020	153,198.06		10,331.08	153,198.06
2011	4900-752-042-4900-001-V42Y-6020	76,754.83	76,754.83	67,733.93	67,733.93
Unappropriated					
Public Water Supply Contract					
Stormwater Regulation Program					
2006	4900-752-042-4900-001-V42Y-6020	97,350.00	60,910.61		97,350.00
Hazardous Discharge Site Remediation - EDA					
Hazardous Discharge Site Remediation - EDA					
	P24813	20,619.00	46,630.55		15,821.00
	P29818	109,054.00	68,294.27		99,140.00
		308,846.00			308,846.00
		\$	328,322.84 \$	135,289.08 \$	837,633.40
<u>Department of Law and Public Safety</u>					
Safe and Secure Communities Program					
Drunk Driving Enforcement Fund					
2010	1020-100-066-232-YCJF-6120	56,168.00 \$	56,168.00 \$	56,168.00 \$	56,168.00
2011	6400-100-078-6400-YYYY	26,704.94		9,648.55	26,704.94
Alcohol Education Rehabilitation Fund					
2009	6400-100-078-6400-YYYY	20,679.41		18,542.03	18,542.03
2010	9735-760-098-Y900-001-X100-6020	7,843.21		6,750.00	7,843.33
2011	9735-760-098-Y900-001-X100-6020	3,669.93			0.00
Body Armor Replacement Fund					
2010	9735-760-098-Y900-001-X100-6020	6,148.56	6,148.56		0.00
2011 - Unappropriated					
	1020-718-066-1020-001-YCJS-0120	8,872.55	6,805.35	2,317.50	3,167.60
	1020-718-066-1020-001-YCJS-0120	6,805.35	6,805.35		0.00
		\$	69,121.91 \$	93,426.08 \$	112,227.90
<u>Pass Through from County of Somerset</u>					
Municipal Alliance on Alcoholism and Drug Abuse					
2010	SC-ALL-10-03	39,673.00 \$	8,907.64 \$		39,673.00
2011	SC-ALL-10-03	39,673.00	22,364.32	39,555.13	39,555.13
		\$	31,271.96 \$	39,555.13 \$	79,228.13
<u>Department of Human Services</u>					
Public Assistance-State Share					
	7550-150-054-7550-121-LLL-6020	436,136.66 \$	429,000.00 \$	436,136.66 \$	436,136.66

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2011

<u>STATE GRANTOR/PROGRAM TITLE</u>	<u>STATE ACCOUNT NUMBER</u>	<u>GRANT AWARD AMOUNT</u>	<u>2011 RECEIPTS</u>	<u>2011 EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES DECEMBER 31, 2011</u>
<u>Department of Health and Senior Services</u>					
Public Health Priority Funding					
2008	4220-100-046-4535-109-J002-6020	\$ 7,846.00	\$	2,017.00	7,846.00
2009	4220-100-046-4535-109-J002-6020	9,537.00		9,537.00	9,537.00
2010	4220-100-046-4535-109-J002-6020	10,590.00		7,161.90	7,161.90
Tobacco Age of Sale - 2008	4240-100-046-4213-130-J002-6120	1,140.00			
Tobacco Age of Sale - 2009	4240-100-046-4213-130-J002-6120	1,320.00			
Hepatitis B Inoculation Fund	4230-100-046-4781-241-J002-3890	1,642.00			
		\$	\$	18,715.90	25,074.83
<u>Department of Transportation</u>					
Crim Road	07-480-078-6320-AJZ-6010	128,000.00	\$	\$	82,660.32
Country Club Road	08-480-078-6320-AJ3-6010	118,000.00	25,688.77		107,022.58
Repaving U.S. Route 22	08-480-078-6320-AJ3-6010	225,000.00	79,923.34		108,064.45
Brown Road	10-480-078-6320-AKN-6010	150,000.00		150,000.00	150,000.00
Highway Safety Fund (Safe Corridors)	HSF-2011-Bridgewater Twp.-00003	112,890.17	105,612.11	112,449.93	112,449.93
		\$	\$	262,449.93	560,197.28
<u>Office of Homeland Security and Preparedness</u>					
Canine-Air-Rails-Shopping Malls -					
E Grant Program (CARS-E)	02-2010-2736-0736-2-00000	291,104.00	\$	24,150.00	24,150.00
		\$	\$	1,009,722.78	2,074,648.20
<u>TOTAL STATE AID AND STATE GRANT FINANCIAL ASSISTANCE</u>					

TOWNSHIP OF BRIDGEWATER

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2011

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Bridgewater, County of Somerset, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal financial assistance passed through other governmental agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Township's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules of expenditures agree with the amounts reported in the related federal and state financial report.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in either the Grant Fund or Public Assistance Trust Fund.

Receipts:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 305,878.18	\$ 534,328.82	\$ 13,925.00	\$ 854,132.00
Public Assistance Trust Fund		<u>429,000.00</u>		<u>429,000.00</u>
	<u>\$ 305,878.18</u>	<u>\$ 963,328.82</u>	<u>\$ 13,925.00</u>	<u>\$ 1,283,132.00</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 272,244.29	\$ 573,586.12	\$ 125,962.94	\$ 971,793.35
Public Assistance Trust Fund		<u>436,136.66</u>		<u>436,136.66</u>
	<u>\$ 272,244.29</u>	<u>\$ 1,009,722.78</u>	<u>\$ 125,962.94</u>	<u>\$ 1,407,930.01</u>

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|---|---------------|
| (1) Type of Auditor Report Issued: | Unqualified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Significant deficiencies identified during the audit of the financial statements? | None Reported |
| (b) Significant deficiencies identified as material weaknesses? | N/A |
| (3) Noncompliance material to the financial statements noted during the audit? | None Reported |

Federal Programs(s) - Not Applicable

State Program(s)

- | | |
|---|---------------|
| (1) Internal Control Over Major State Programs: | |
| (a) Significant deficiencies identified during the audit of major state programs? | None Reported |
| (b) Significant deficiencies identified as material weaknesses? | N/A |
| (2) Type of Auditor's Report issued on compliance for major state program(s)? | Unqualified |
| (3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 04-04 and listed in Section III of this schedule? | None Reported |

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
Public Assistance	7550-150-054-7550-
State Share	121-LLLL-6020

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditor's Results (Continued)

State Program(s) (Continued)

- (5) Program Threshold Determination:
Type A State Program Threshold > \$300,000.00
Type B State Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 04-04? No

**Section II - Financial Statement Audit - Reported Findings Under
Government Auditing Standards**

Internal Control Findings

None Reported.

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major State Programs

State Programs - None Reported

Status of Prior Year Audit Findings - Not Applicable

PART III

TOWNSHIP OF BRIDGEWATER

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

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

	<u>YEAR 2011</u>		<u>YEAR 2010</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 3,116,859.31	1.71%	\$ 3,584,732.98	1.97%
Miscellaneous - From Other Than Local Property Tax Levies	14,761,951.58	8.09%	15,463,022.06	8.48%
Collection of Delinquent Taxes and Tax Title Liens	1,157,959.74	0.63%	1,554,249.75	0.85%
Collections of Current Tax Levy	<u>163,523,102.75</u>	<u>89.57%</u>	<u>161,788,216.45</u>	<u>88.70%</u>
<u>Total Revenue</u>	<u>\$ 182,559,873.38</u>	<u>100.00%</u>	<u>\$ 182,390,221.24</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 36,019,862.98	19.96%	\$ 36,045,498.97	20.09%
County Taxes	32,798,260.70	18.18%	34,764,775.45	19.38%
Regional School Taxes	109,277,842.74	60.56%	106,302,430.34	59.25%
Special Fire District Taxes	2,199,096.00	1.22%	2,167,745.00	1.21%
Municipal Open Space Taxes			314.58	
Other Expenditures	<u>142,305.01</u>	<u>0.08%</u>	<u>132,255.76</u>	<u>0.07%</u>
<u>Total Expenditures</u>	<u>\$ 180,437,367.43</u>	<u>100.00%</u>	<u>\$ 179,413,020.10</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,122,505.95		\$ 2,977,201.14	
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	<u>\$ 774,509.00</u>		<u>100,000.00</u>	
Regulatory Excess to Fund Balance	\$ 2,897,014.95		\$ 3,077,201.14	
Fund Balance - January 1	<u>4,451,217.66</u>		<u>4,958,749.50</u>	
	\$ 7,348,232.61		\$ 8,035,950.64	
Less: Utilization as Anticipated Revenue	<u>3,116,859.31</u>		<u>3,584,732.98</u>	
Fund Balance, December 31	<u>\$ 4,231,373.30</u>		<u>\$ 4,451,217.66</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	YEAR 2011		YEAR 2010	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 308,352.10	2.70%	\$ 413,307.00	3.43%
Collection of Sewer Use Charges	9,555,393.14	83.80%	10,006,488.40	83.07%
Miscellaneous	1,538,501.13	13.50%	1,626,303.73	13.50%
<u>Total Revenue</u>	<u>\$ 11,402,246.37</u>	<u>100.00%</u>	<u>\$ 12,046,099.13</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 9,654,159.10	96.71%	\$ 9,443,816.79	96.04%
Capital Improvements			82,000.00	0.83%
Deferred Charges and Statutory Expenditures	145,000.00	1.45%	143,438.00	1.46%
Debt Service	178,493.00	1.79%	164,661.52	1.67%
Miscellaneous	4,786.98	0.05%		
<u>Total Expenditures</u>	<u>\$ 9,982,439.08</u>	<u>100.00%</u>	<u>\$ 9,833,916.31</u>	<u>100.00%</u>
Excess in Revenue	\$ 1,419,807.29		\$ 2,212,182.82	
Fund Balance, January 1	3,127,584.09		1,328,708.27	
	\$ 4,547,391.38		\$ 3,540,891.09	
Less: Utilization as Anticipated Revenue	308,352.10		413,307.00	
Fund Balance, December 31	<u>\$ 4,239,039.28</u>		<u>\$ 3,127,584.09</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$1.926</u>	<u>\$1.845</u>	<u>\$1.776</u>
Appointment of Tax Rate:			
Municipal	\$0.240	\$0.223	\$0.250
County	0.389	0.400	0.362
Local School	<u>1.297</u>	<u>1.222</u>	<u>1.164</u>

Assessed Valuation:

Year 2011	\$ <u>8,426,833,377.00</u>		
Year 2010		\$ <u>8,696,846,384.00</u>	
Year 2009			\$ <u>8,883,669,448.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>CURRENTLY</u> <u>PERCENTAGE OF COLLECTION</u>
2010	\$165,157,406.75	\$163,523,102.75	99.01%
2010	163,027,081.24	161,788,216.45	99.24%
2009	160,906,330.51	159,249,292.10	98.97%

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.

<u>DECEMBER 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>
2011	\$115,499.14	\$1,578,944.04	\$1,694,443.18	1.03%
2010	112,632.62	1,155,904.30	1,268,536.92	0.78%
2009	109,465.18	1,551,308.35	1,660,773.53	1.03%

PROPERTY ACQUIRED BY TAX TITLE
LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2011	\$422,300.00
2010	422,300.00
2009	422,300.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u>
Current Fund	2011	\$ 4,231,373.30	\$ 2,500,000.00 *
	2010	4,451,217.66	3,116,859.31
	2009	4,958,749.50	3,584,732.98
	2008	5,795,140.44	4,100,076.42
	2007	5,783,209.01	4,014,277.87
Sewer Utility Operating Fund	2011	\$ 4,239,039.28	\$ 140,582.39 *
	2010	3,127,584.09	308,352.10
	2009	1,328,708.27	413,307.00
	2008	728,863.58	287,261.81
	2007	626,136.32	200,000.00

* Per Introduced Budget

EQUALIZED VALUATIONS – REAL PROPERTY

<u>Year</u>	
2011	\$9,409,750,447.00
2010	9,602,149,823.00
2009	10,249,956,100.00

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 SURETY</u>
Patricia Flannery	Mayor		
Howard Norgalis	Council Member - President		
Dan Hayes	Council Member		
Allen Kurdyla	Council Member		
Matthew Moench	Council Member		
Christine Henderson Rose	Council Member		
Robert Bogart	Director of Administration	*	
Linda Doyle	Municipal Clerk, Assessment Search Officer	\$25,000.00	Penn National Insurance
Grace Karanja	Deputy Municipal Clerk	*	
Natasha Turchan	Director of Finance, Chief Financial Officer	\$250,000.00	Penn National Insurance
Christina Rogers	Human Resources Officer	*	
Rose Witt	Qualified Purchasing Agent	*	
Darrow Murdock	Tax Collector, Tax Search Officer, Sewer Collector	\$650,000.00	Penn National Insurance
Anthony DiRado	Tax Assessor	*	
Willam Savo	Township Attorney	*	
Robert Bogart	Director of Municipal Services, Township Engineer	*	
Scarlett Doyle	Township Planner	*	
Christine Schneider	Superintendent of Recreation	*	
Steve Rodzinak	Construction Code Official	*	

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF SURETY</u>
William Kelleher	Municipal Court Judge	*	
Audrey Lipinski	Court Administrator	\$75,000.00	Penn National Insurance
Richard Borden	Police Chief	*	
Phil Langon	Fire Official	*	
Chris Poulsen	Director of Human Services	*	
Mary Ellen Ianniello	Registrar	*	
Patricia Padovani	Director of Welfare	*	
Peter Leung	Health Officer	*	
John Langel	Superintendent of Public Works	*	

*All officials and employees (except as noted) handling and collecting Township funds are covered by a blanket position bond for faithful performance for \$500,000.00. The blanket position bond is written by the Pennsylvania National Mutual Insurance Company.

All of the bonds were examined and were properly executed.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or 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 therefore, 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 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective July 19, 2010, the bid threshold in accordance with N.J.S.A. 40A:11-3 was increased to \$36,000.00 by resolution of the governing body.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Council's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising for the following items:

Harry Ally Memorial Park Rehabilitation of Tennis and Basketball Courts
Municipal Complex Turf Field
Road Reconstruction, Resurfacing, Improvements and Drainage

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 or 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 not reveal any individual payments, contracts or agreements in excess of \$36,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

**COLLECTION OF INTEREST ON DELINQUENT
TAXES AND ASSESSMENTS**

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

The Governing Body on January 3, 2011 adopted the following resolution pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments at 8% per annum on the first \$1,500.00 and a rate of 18% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date and if the delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable. Sanitary Sewer Charges are fixed at a delinquent rate of 18% per annum on all delinquent charges after the due date.

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 22, 2011 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

The following is a comparison of the number of tax title liens receivable on December 31st of the last five years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2011	22
2010	19
2009	16
2008	16
2007	12

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 taxpaying 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, consisting of the mailing of verification notices as follows:

<u>TYPE</u>	
Payments of 2012 Taxes	50
Payments of 2011 Taxes	50
Delinquent Taxes	50
Payment of Sewer Utility Charges	50
Delinquent Sewer Utility Charges	25

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

None

