

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, 2012

TOWNSHIP OF BRIDGEWATER

INDEX

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-3
	<u>EXHIBITS</u>
	<u>Financial Statements - Statutory Basis</u>
<u>Current Fund:</u>	
Balance Sheets - Regulatory Basis	"A"
Statements of Operations and Changes in Fund Balance - Regulatory Basis	"A-1"
Statement of Revenues - Regulatory Basis Year Ended December 31, 2012	"A-2"
Statement of Expenditures - Regulatory Basis Year Ended December 31, 2012	"A-3"
<u>Trust Fund:</u>	
Balance Sheets - Regulatory Basis	"B"
Schedule of Assessment Fund Balance - Regulatory Basis	"B-1"
<u>General Capital Fund:</u>	
Balance Sheet - Regulatory Basis	"C"
Statement of Capital Fund Balance - Regulatory Basis	"C-1"
<u>Sewer Utility Fund:</u>	
Balance Sheets - Regulatory Basis	"D"
Statements of Operations and Changes in Fund Balance - Regulatory Basis	"D-1"
Statement of Assessment Trust Fund Balance - Regulatory Basis	"D-2"
Statement of Capital Fund Balance - Regulatory Basis	"D-3"
Statement of Revenues - Regulatory Basis Year Ended December 31, 2012	"D-4"
Statement of Expenditures - Regulatory Basis Year Ended December 31, 2012	"D-5"
<u>Public Assistance Trust Fund:</u>	
Balance Sheets - Regulatory Basis	"E"
<u>General Fixed Assets Account Group:</u>	
Balance Sheets - Regulatory Basis	"F"
	<u>PAGES</u>
Notes to Financial Statements	4-26

TOWNSHIP OF BRIDGEWATER

INDEX (CONTINUED)

EXHIBITS

Supplementary Schedules – All Funds

Current Fund:

Schedule of Cash - Collector - Treasurer	"A-4"
Schedule of Petty Cash	"A-5"
Schedule of Change Funds	"A-6"
Schedule of Due State of New Jersey for Senior Citizens and Veterans Deductions	"A-7"
Schedule of Taxes Receivable and Analysis of Property Tax Levy	"A-8"
Schedule of Tax Title Liens	"A-9"
Schedule of Property Acquired for Taxes	"A-10"
Schedule of Reserve for Accounts Payable	"A-11"
Schedule of Interfunds	"A-12"
Schedule of Revenue Accounts Receivable	"A-13"
Schedule of 2011 Appropriation Reserves	"A-14"
Schedule of Reserve for Tax Appeals	"A-15"
Schedule of Reserve for Construction Code DCA – Due State of N.J.	"A-16"
Schedule of Tax Overpayments	"A-17"
Schedule of Prepaid Taxes	"A-18"
Schedule of Reserve for Sale of Municipal Assets	"A-19"
Schedule of County Taxes Payable	"A-20"
Schedule of Regional School District Taxes Payable	"A-21"
Schedule of Special Fire District Taxes Payable	"A-22"
Schedule of Grants - Appropriated	"A-23"
Schedule of Grants - Unappropriated	"A-24"
Schedule of Grants Receivable	"A-25"
Schedule of Reserve for Storm Damage – FEMA	"A-26"
Schedule of Reserve for Marriage & Civil Union Licenses-Due State of New Jersey	"A-27"
Schedule of Reserve for Emergency Note Payable	"A-28"
Schedule of Due Current Fund - Grant Fund	"A-29"
Schedule of Due Other Trust Fund – Grant Fund	"A-30"
Schedule of Reserve for Insurance Damage	"A-31"
Schedule of Deferred Charges	"A-32"

TOWNSHIP OF BRIDGEWATER

INDEX (CONTINUED)

EXHIBITS

Trust Fund:

Schedule of Cash-Treasurer	"B-2"
Schedule of Assessments Receivable	"B-3"
Schedule of Prospective Assessments Funded	"B-4"
Analysis of Assessment Fund Cash	"B-5"
Schedule of Assessment Overpayments	"B-6"
Schedule of Due General Capital Fund-Open Space-Other Trust Fund	"B-7"
Schedule of Reserve for State Unemployment Insurance	"B-8"
Schedule of Reserve for Accounts Payable - Other Trust Fund	"B-9"
Schedule of Reserve for Assessments	"B-10"
Schedule of Reserve for Municipal Open Space Trust Deposits	"B-11"
Schedule of Reserve for Various Trust Deposits	"B-12"
Schedule of Reserve for Animal Control Trust Fund Expenditures	"B-13"
Schedule of Due State Department of Health - Animal Control Trust Fund	"B-14"
Schedule of Accounts Payable - Animal Control Trust Fund	"B-15"
Schedule of Due Current Fund - Animal Control Trust Fund	"B-16"
Schedule of Due Current Fund - Other Trust Fund	"B-17"
Schedule of Due Sewer Utility Operating Fund – Other Trust Fund	"B-18"
Schedule of Due Grant Fund – Other Trust Fund	"B-19"

General Capital Fund:

Schedule of Cash – Treasurer	"C-2"
Analysis of Capital Cash and Investments	"C-3"
Schedule of Reserve for Capital Projects	"C-4"
Schedule of Deferred Charges to Future Taxation – Funded	"C-5"
Schedule of Deferred Charges to Future Taxation – Unfunded	"C-6"
Schedule of Capital Improvement Fund	"C-7"
Schedule of Due Sewer Utility Operating Fund	"C-8"
Schedule of Improvement Authorizations	"C-9"
Schedule of Due Open Space Trust Fund	"C-10"
Schedule of Serial Bonds Payable	"C-11"
Schedule of Bond Anticipation Notes	"C-12"
Schedule of Reserve for Infrastructure Loan Payable	"C-13"
Schedule of Reserve for Payment of Debt Service	"C-14"
Schedule of Green Acres Loan Payable	"C-15"
Schedule of Reserve for Contracts Payable	"C-16"
Schedule of Improvement Authority Loans Payable	"C-17"
Schedule of Due Sewer Utility Capital Fund	"C-18"
Schedule of Due COAH Trust Fund	"C-19"
Schedule of Bonds and Notes Authorized But Not Issued	"C-20"

TOWNSHIP OF BRIDGEWATER

INDEX (CONTINUED)

EXHIBITS

Sewer Utility Fund:

Schedule of Cash - Collector - Treasurer	"D-6"
Analysis of Assessment Fund Cash	"D-7"
Analysis of Sewer Utility Capital Cash	"D-8"
Schedule of Change Fund	"D-9"
Schedule of Amount Due Warren Township Municipal Utilities Authority	"D-10"
Schedule of Interfunds	"D-11"
Schedule of Accrued Interest on Bonds	"D-12"
Schedule of Connection Charges Receivable	"D-13"
Schedule of Sewer Use Charges Receivable	"D-14"
Schedule of Reserve for Assessments and Liens	"D-15"
Schedule of Fixed Capital Authorized and Uncompleted-Sewer Utility Capital Fund	"D-16"
Schedule of Fixed Capital-Sewer Utility Capital Fund	"D-17"
Schedule of Assessments Receivable	"D-18"
Schedule of Accounts Payable	"D-19"
Schedule of 2011 Appropriation Reserves	"D-20"
Schedule of Prospective Assessments Funded	"D-21"
Schedule of Sewer Use Charge Overpayments	"D-22"
Schedule of Due Sewer Utility Operating Fund-Sewer Assessment Trust Fund	"D-23"
Schedule of Deferred Reserve for Amortization-Sewer Utility Capital Fund	"D-24"
Schedule of Reserve for Amortization-Sewer Utility Capital Fund	"D-25"
Schedule of Contracts Payable-Sewer Utility Capital Fund	"D-26"
Schedule of Prepaid Sewer Charges	"D-27"
Schedule of Capital Improvement Fund-Sewer Utility Capital Fund	"D-28"
Schedule of Improvement Authorizations-Sewer Utility Capital Fund	"D-29"
Schedule of Sewer Serial Bonds Payable-Sewer Utility Capital Fund	"D-30"
Schedule of Environmental Infrastructure Trust Loan Payable	"D-31"
Schedule of Due General Capital Fund – Sewer Utility Capital Fund	"D-32"
Schedule of Environmental Infrastructure Trust Receivable	"D-33"
Schedule of Accrued Interest on Loans - Sewer Utility Fund	"D-34"
Schedule of Bonds and Notes Authorized But Not Issued-Sewer Utility Capital Fund	"D-35"
Schedule of Deferred Charges	"D-36"

Public Assistance Trust Fund:

Schedule of Public Assistance Cash	"E-1"
Schedule of Public Assistance Cash and Reconciliation per N.J.S.A. 40A:5-5	"E-2"
Schedule of Public Assistance Cash and Reconciliation as of December 31, 2012	"E-3"
Schedule of Public Assistance Revenues Year Ended December 31, 2012	"E-4"
Schedule of Public Assistance Expenditures Year Ended December 31, 2012	"E-5"

TOWNSHIP OF BRIDGEWATER

INDEX (CONTINUED)

PAGES

PART II

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 27-28

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 29-30

Schedule of Expenditures of Federal Awards Year Ended
December 31, 2012 31

Schedule of Expenditures of State Financial Assistance Year Ended
December 31, 2012 32-33

Notes to the Schedules of Federal and State Financial Assistance
Year Ended December 31, 2012 34-35

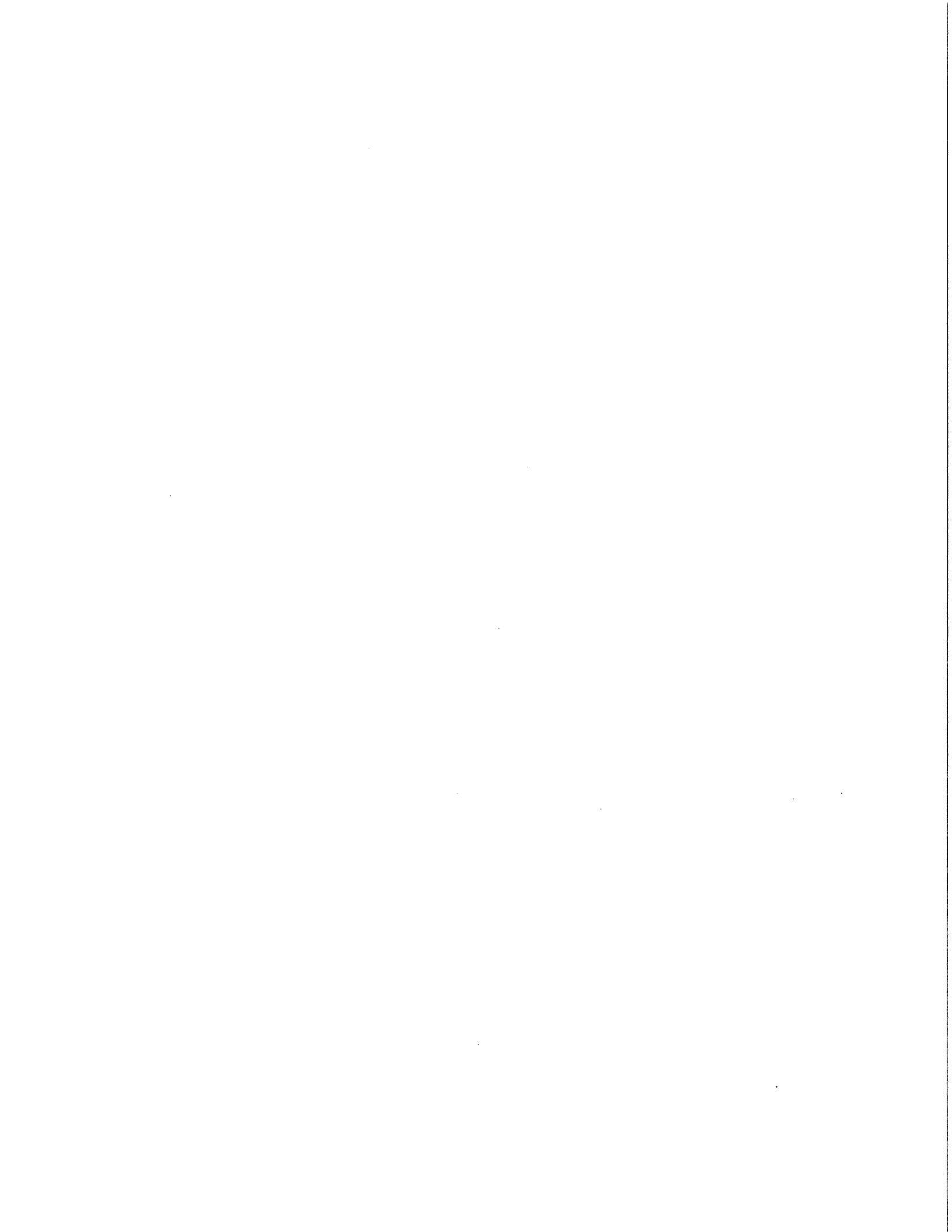
Schedule of Findings and Questioned Costs for the Year Ended
December 31, 2012 36-37

PART III

Statistical Data 38-42

Officials in Office and Surety Bonds 43-44

Comments and Recommendations 45-48



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, 2012 AND 2011



SUPLEE, CLOONEY & COMPANY

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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

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Bridgewater, as of December 31, 2012 and 2011, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the provisions of U.S. Office of Management and Budget (OMB) Circular 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," and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

SUPLEE, CLOONEY & COMPANY

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the regulatory financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township of Bridgewater as of December 31, 2012 and 2011, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2012.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2012 and 2011, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2012 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Bridgewater's regulatory financial statements. The supplementary information and data listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.


The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed and data in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

The general comments and recommendations section has not been subject to the auditing procedures applied in the audit of the regulatory financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2013 on our consideration of the Township of Bridgewater's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Bridgewater's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 30, 2013

CURRENT FUND

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2012</u>	BALANCE DECEMBER <u>31, 2011</u>
<u>ASSETS</u>			
Cash	A-4	\$ 9,671,010.03	\$ 9,212,330.06
Change Fund	A-6	410.00	410.00
Due State of New Jersey - Senior Citizens and Veterans	A-7	151,026.21	176,382.48
		<u>\$ 9,822,446.24</u>	<u>\$ 9,389,122.54</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 1,534,884.03	\$ 1,578,944.04
Tax Title Liens Receivable	A-9	125,140.59	115,499.14
Property Acquired for Taxes - Assessed Valuation	A-10	422,300.00	422,300.00
Revenue Accounts Receivable	A-13	42,133.94	46,005.32
Interfunds Receivable	A-12	97.80	34,261.56
	A	<u>\$ 2,124,556.36</u>	<u>\$ 2,197,010.06</u>
Deferred Charges	A-32	\$ 745,600.00	\$ 774,509.00
	A	<u>\$ 12,692,602.60</u>	<u>\$ 12,360,641.60</u>
Grant Fund:			
Cash	A-4	\$ 57,590.31	\$ 88,859.30
Grants Receivable	A-25	1,064,143.44	1,056,199.47
Due Current Fund	A-29	<u>1,492.31</u>	<u>1,492.31</u>
	A	<u>\$ 1,121,733.75</u>	<u>\$ 1,146,551.08</u>
	A	<u>\$ 13,814,336.35</u>	<u>\$ 13,507,192.68</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>	<u>BALANCE DECEMBER 31, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriations Reserves	A-3:A-14	\$ 734,495.51	\$ 1,540,478.95
Prepaid Taxes	A-18	1,098,126.76	1,009,587.52
Accounts Payable	A-11	1,527,069.58	779,738.69
Tax Overpayments	A-17	137,781.43	434,332.24
Interfunds Payable	A-12	799,416.96	750,788.51
Reserve For:			
Sale of Municipal Assets	A-19	16,261.03	56,844.65
Marriage/Civil Union Licenses - Due State of NJ	A-27	850.00	775.00
Construction Code DCA - Due State of New Jersey	A-16	16,396.00	27,488.00
Insurance Damage	A-31	16,471.23	
County Taxes Payable	A-20	63,205.00	133,197.09
Tax Appeals	A-15	739,431.00	684,495.43
Storm Damage - FEMA	A-26	270,960.51	82,023.16
Emergency Note Payable	A-28	640,000.00	432,509.00
		\$ 6,060,465.01	\$ 5,932,258.24
Reserve for Receivables and Other Assets	A	2,124,556.36	2,197,010.06
Fund Balance	A-1	4,507,581.23	4,231,373.30
	A	\$ 12,692,602.60	\$ 12,360,641.60
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 103,772.47	\$ 67,715.96
Reserve for Grants - Appropriated	A-23	586,234.61	727,949.27
Due Other Trust Fund	A-30	270,473.73	
Accounts Payable	A-11	161,252.94	350,885.85
	A	\$ 1,121,733.75	\$ 1,146,551.08
	A	\$ 13,814,336.35	\$ 13,507,192.68

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, 2012	YEAR ENDED DECEMBER 31, 2011
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 2,800,000.00	\$ 3,116,859.31
Miscellaneous Revenue Anticipated	A-2	14,063,790.08	13,566,701.87
Receipts From Delinquent Taxes	A-2	1,591,427.31	1,157,959.74
Receipts From Current Taxes	A-2	166,458,625.08	163,523,102.75
Non-Budget Revenue	A-2	732,401.83	410,006.72
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	753,952.67	600,364.07
Grants Appropriated Canceled			128,251.55
Accounts Payable Canceled	A-11	74,189.43	54,219.59
Reserves Canceled		215,032.95	907.78
Interfunds Returned		34,163.76	
Accounts Receivable			1,500.00
<u>TOTAL REVENUE AND OTHER INCOME</u>		\$ <u>186,723,583.11</u>	\$ <u>182,559,873.38</u>
<u>EXPENDITURES</u>			
Budget Appropriations	A-3	\$ 36,922,991.89	\$ 36,019,862.98
Special Fire District Taxes	A-22	2,244,354.00	2,199,096.00
County Taxes	A-20	33,332,035.94	32,798,260.70
Regional School District Taxes	A-21	111,787,443.35	109,277,842.74
Grants Receivable Canceled			129,743.86
Interfunds Advanced			2,998.33
Refund of Prior Year Revenue	A-4	550.00	9,562.82
<u>TOTAL EXPENDITURES</u>		\$ <u>184,287,375.18</u>	\$ <u>180,437,367.43</u>
Excess in Revenue		\$ 2,436,207.93	\$ 2,122,505.95
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	A-32	\$ 640,000.00	\$ 774,509.00
Statutory Excess to Fund Balance		\$ 3,076,207.93	\$ 2,897,014.95
Fund Balance, January 1	A	4,231,373.30	4,451,217.66
Decreased by:		\$ 7,307,581.23	\$ 7,348,232.61
Utilization as Anticipated Revenue	A-1:A-2	2,800,000.00	3,116,859.31
Fund Balance, December 31	A	\$ <u>4,507,581.23</u>	\$ <u>4,231,373.30</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, 2012

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 2,800,000.00	\$ 2,800,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 85,000.00	\$ 86,002.00	\$ 1,002.00
Other	A-13	29,000.00	30,863.00	1,863.00
Fees and Permits:				
Construction Code Official	A-2	1,300,000.00	1,539,541.00	239,541.00
Other	A-2	250,000.00	269,351.62	19,351.62
Municipal Court:				
Fines and Costs	A-13	730,000.00	716,937.44	(13,062.56)
Interest and Costs on Taxes	A-13	275,000.00	363,686.20	88,686.20
Interest on Investments and Deposits	A-13	50,000.00	48,303.92	(1,696.08)
Recreation Fees	A-2	125,000.00	121,903.00	(3,097.00)
Consolidated Municipal Property Tax Relief Aid	A-13	305,456.00	305,456.00	
Energy Receipts Tax	A-13	5,594,723.00	5,594,723.00	
Garden State Trust Fund	A-13	4,082.00	4,082.00	
Joint Services with County Library	A-13	320,000.00	329,664.71	9,664.71
Recycling Tonnage Grant	A-25	60,910.61	60,910.61	
Drunk Driving Enforcement Fund	A-25	16,882.88	16,882.88	
Clean Communitlies Program	A-25	74,559.24	74,559.24	
Municipal Alliance on Alcoholism and Drug Use	A-25	39,673.00	39,673.00	
Safe and Secure Communities Program	A-25	60,000.00	60,000.00	
Office of Emergency Management	A-25		5,000.00	
Youth Services Program	A-25	33.75	10,000.00	10,033.75
Body Armor Replacement Fund	A-25	6,805.35	6,804.73	13,610.08
Over the Limit, Under Arrest	A-25	5,000.00	4,400.00	9,400.00
Alcohol Education Rehabilitation Program	A-25		4,532.90	4,532.90
Municipal Aid - Country Club	A-25	140,000.00	140,000.00	
CDBG - Youth Program	A-25	5,722.00	5,722.00	
Aggressive Driving	A-25	8,000.00	8,000.00	
Buffer Zone Protection	A-25		31,000.00	31,000.00
Target Public Safety	A-25		2,000.00	2,000.00
Bulletproof Vest	A-25		2,317.50	2,317.50
Highway Safety Grant	A-25		100,131.75	100,131.75
Regional Center Partnership Grant	A-25		20,000.00	20,000.00
Life Hazard Use Fees	A-13	115,000.00	129,464.94	14,464.94
Suburban Cablevision Franchise Fee	A-13	400,000.00	406,061.15	6,061.15
Payment in Lieu of Taxes - Centerbridge I	A-13	95,000.00	97,012.29	2,012.29
Payment in Lieu of Taxes - Centerbridge II	A-13	100,000.00	102,523.74	2,523.74
Bridgewater Commons Rent and Royalty - In Lieu of Taxes	A-13	1,700,000.00	1,722,188.88	22,188.88
Host Benefit Fees	A-13	240,000.00	221,903.23	(18,096.77)
Capital Surplus	A-13	130,000.00	130,000.00	
Hotel and Motel Tax	A-13	700,000.00	729,631.75	29,631.75
Sale of Municipal Assets	A-19	50,000.00	50,000.00	
Summer Playground	A-13	75,000.00	78,320.00	1,320.00
Animal Shelter Contributions	A-13	16,131.89	15,795.75	(336.14)
Reserve for OEM	A-26	81,000.00	81,000.00	
In House Escrow Fees	A-13	125,000.00	49,443.51	(75,556.49)
Debt Service Reimbursement - Reserve to Pay Debt	A-13	133,154.00	133,154.00	
Debt Service Reimbursement - Open Space Trust Fund	A-13	105,003.24	105,003.24	
<u>Total Miscellaneous Revenues</u>	A-1	\$ 13,551,136.96	\$ 14,063,790.08	\$ 326,466.24
Receipts From Delinquent Taxes	A-1	\$ 1,100,000.00	\$ 1,591,427.31	\$ 491,427.31
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-2	\$ 20,912,497.41	\$ 21,344,791.79	\$ 432,294.38
BUDGET TOTALS		\$ 38,363,634.37	\$ 39,800,009.18	\$ 1,250,187.93
Non-Budget Revenues	A-2		732,401.83	732,401.83
		\$ 38,363,634.37	\$ 40,532,411.01	\$ 1,982,589.76

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, 2012

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collections	A-8	\$ 166,658,625.08
Less: 2012 Taxes Pending Appeal	A-15	200,000.00
	A-1	<u>\$ 166,458,625.08</u>
Allocated To:		
County Taxes	A-8	33,332,035.94
Regional School District Taxes	A-8	111,787,443.35
Special Fire District Taxes	A-8	2,244,354.00
		<u>\$ 147,363,833.29</u>
Balance for Support of Municipal Budget Appropriations		\$ 19,094,791.79
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,250,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 21,344,791.79</u>
Licenses - Other:		
Clerk		\$ 5,000.00
Health Officer		24,575.00
Registrar		588.00
Police Towing		<u>700.00</u>
	A-2:A-13	<u>\$ 30,863.00</u>
Other - Fees and Permits:		
Board of Health		\$ 5,402.00
Police		59,739.40
Clerk		1,206.11
Planning		8,635.00
Prosecutor		670.25
Registrar		17,683.00
Engineering		1,679.26
Tax Assessor		972.15
Board of Adjustment		12,050.00
Zoning		1,612.45
Fire		159,692.00
Tax Search		<u>10.00</u>
	A-2:A-13	<u>\$ 269,351.62</u>
Recreation Fees	A-13	\$ 125,016.00
Less: Refunds	A-4	<u>3,113.00</u>
	A-2	<u>\$ 121,903.00</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, 2012

	<u>REF.</u>	
Uniform Construction Code Fees	A-13	\$ 1,547,441.40
Less: Refunds	A-4	<u>7,900.40</u>
	A-2	<u>\$ 1,539,541.00</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Bid Specs	\$	25.00
Road Openings		581.00
COAH Administrative Fees		426,791.98
COAH Rent		1,440.00
JIF Award		50,253.00
Refund of Prior Year Expenses		25,644.63
Bad Check Fees		1,020.00
Police Outside Overtime Administrative Fees		102,149.44
Police Outside Overtime Car Usage		53,250.00
Senior Citizens and Veterans Administrative Fees		7,383.77
Refuse Revenue		14,327.56
DMV Inspection Fines		4,069.50
Tax Collector		3,989.19
Miscellaneous		<u>41,378.96</u>
	A-4	732,304.03
Excess Reserve for Animal Expenditures	A-12	<u>97.80</u>
<u>Total Non-Budget Revenue</u>	A-1:A-2	<u>\$ 732,401.83</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, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
MAYOR'S OFFICE:					
Salaries and Wages	\$ 62,097.72	\$ 62,412.72	\$ 62,410.37	\$ 2.35	\$
Other Expenses	3,401.00	2,401.00	2,335.87	65.13	
ADMINISTRATION:					
Salaries and Wages	144,854.49	144,854.49	144,041.84	812.65	
Other Expenses	20,484.25	20,484.25	20,475.06	9.19	
ECONOMIC DEVELOPMENT:					
Salaries and Wages	72,325.19	72,425.19	72,325.44	99.75	
Other Expenses	375.00	375.00	246.20	128.80	
TOWNSHIP COUNCIL:					
Salaries and Wages	27,000.00	27,000.00	26,468.70	531.30	
Other Expenses	5,950.00	5,950.00	5,244.74	705.26	
PERSONNEL OFFICE:					
Salaries and Wages	135,899.28	135,899.28	129,991.72	5,907.56	
Other Expenses	20,300.00	15,300.00	12,752.77	2,547.23	
PURCHASING DEPARTMENT:					
Salaries and Wages	60,954.12	60,954.12	58,322.80	2,631.32	
Other Expenses	25,510.00	25,510.00	25,490.98	19.02	
GRANTS ADMINISTRATION:					
Salaries and Wages	6,617.47	6,617.47	6,487.72	129.75	
TOWNSHIP CLERK:					
Salaries and Wages	134,735.01	139,735.01	139,296.04	438.97	
Other Expenses	22,050.00	22,050.00	21,998.85	51.15	
ELECTIONS:					
Other Expenses	13,000.00	13,000.00	12,576.16	423.84	
FINANCE DIRECTOR'S OFFICE					
Salaries and Wages	83,974.05	83,974.05	83,973.74	0.31	
Other Expenses	3,150.00	3,150.00	3,141.87	8.13	
DIVISION OF TREASURY:					
Salaries and Wages	127,566.54	102,566.54	97,778.20	4,788.34	
Other Expenses	48,750.00	43,750.00	43,690.69	59.31	
Audit	52,500.00	43,500.00	42,825.00	675.00	
TAX COLLECTION:					
Salaries and Wages	94,516.98	94,516.98	89,737.41	4,779.57	
Other Expenses	25,449.00	23,449.00	23,364.39	84.61	
TAX ASSESSMENT:					
Salaries and Wages	159,767.93	159,767.93	153,197.53	6,570.40	
Other Expenses	76,400.00	76,400.00	76,370.98	29.02	
Reassessment Program	80,000.00	79,200.00	79,200.00		
LEGAL OFFICE:					
Salaries and Wages	13,525.20	13,525.20	9,838.99	3,686.21	
Other Expenses	455,000.00	605,000.00	603,801.87	1,198.13	
INSURANCE:					
Employee Group Insurance	3,989,879.62	4,038,944.62	4,019,936.48	19,008.14	
Other Insurance Premiums	670,205.00	665,205.00	656,352.00	8,853.00	
ENGINEERING DIRECTOR'S OFFICE:					
Salaries and Wages	61,953.74	61,953.74	61,019.06	934.68	
Other Expenses	3,840.00	3,840.00	3,572.16	267.84	
ENGINEERING					
Salaries and Wages	202,987.99	177,987.99	171,318.21	6,669.78	
Other Expenses	10,765.00	8,755.00	8,734.14	20.86	
BOARD OF ADJUSTMENT/ZONING:					
Salaries and Wages	55,211.58	55,211.58	47,803.43	7,408.15	
Other Expenses	22,530.29	22,530.29	22,365.33	164.96	
DIVISION OF PLANNING:					
Salaries and Wages	38,996.60	38,996.60	35,204.29	3,792.31	
Other Expenses	63,550.00	63,550.00	60,866.30	2,683.70	
PLANNING BOARD					
Other Expenses	23,675.00	23,675.00	17,553.92	6,121.08	
POLICE:					
Salaries and Wages	9,065,293.30	9,065,293.30	8,938,590.51	126,702.79	
Other Expenses	356,403.00	365,403.00	364,899.32	503.68	
OFFICE OF EMERGENCY MANAGEMENT:					
Salaries and Wages	6,400.00	6,400.00	5,565.85	834.15	
Other Expenses	2,430.00	2,430.00	2,373.44	56.56	
FIRE SAFETY:					
Salaries and Wages	156,077.58	146,077.58	139,240.72	6,836.86	
Other Expenses	100.00	100.00	2.66	97.34	
FIRE HYDRANT SERVICES:					
Other Expenses	875,000.00	875,000.00	874,922.80	77.20	
FIRST AID ORGANIZATION CONTRIBUTION:					
Other Expenses	50,000.00	50,000.00	50,000.00		
MUNICIPAL COURT:					
Salaries and Wages	314,454.00	317,454.00	315,252.08	2,201.92	
Other Expenses	38,660.00	38,660.00	38,258.79	401.21	
PUBLIC DEFENDER:					
Other Expenses	20,000.00	20,000.00	20,000.00		
ROAD REPAIRS AND MAINTENANCE:					
Salaries and Wages	1,553,739.92	1,553,739.92	1,537,797.94	15,941.98	
Other Expenses	392,800.00	882,800.00	881,521.54	1,278.46	

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, 2012

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
VEHICLE MAINTENANCE:					
Salaries and Wages	\$ 283,356.56	\$ 283,356.56	\$ 274,065.84	\$ 9,290.72	\$
Other Expenses	127,400.00	127,400.00	127,261.19	138.81	
RECYCLING:					
Other Expenses	340,000.00	338,000.00	337,388.70	611.30	
SNOW REMOVAL:					
Salaries and Wages	50,000.00	50,000.00	46,191.10	3,808.90	
Other Expenses	150,000.00	300,000.00	104,404.91	195,595.09	
CONTRACT WITH REGIONAL BOARD OF EDUCATION FOR TRANSPORTATION OF LOCAL PUPILS (N.J.S.A. 18a:39-1.2)	275,751.00	275,751.00	275,751.00		
PARK MAINTENANCE:					
Salaries and Wages	727,681.77	727,681.77	708,571.57	19,110.20	
Other Expenses	80,135.00	80,135.00	79,983.62	151.38	
MUNICIPAL SERVICES REIMBURSEMENT-CONDOMINIUMS					
Other Expenses	61,000.00	61,000.00	61,000.00		
PUBLIC BUILDINGS AND GROUNDS:					
Salaries and Wages	270,870.72	270,870.72	270,073.98	796.74	
Other Expenses	229,300.00	229,300.00	228,075.13	1,224.87	
DIRECTOR'S OFFICE:					
Salaries and Wages	96,433.86	96,533.86	96,434.00	99.86	
Other Expenses	400.00	400.00	375.00	25.00	
DIVISION OF HEALTH:					
Salaries and Wages	192,813.21	192,813.21	188,402.08	4,411.13	
Other Expenses	10,125.00	18,325.00	18,306.02	18.98	
ADMINISTRATION OF PUBLIC ASSISTANCE:					
Salaries and Wages	63,320.60	63,420.60	63,320.80	99.80	
Other Expenses	100.00	100.00		100.00	
VISITING NURSES SERVICES - CONTRIBUTION					
CONTRIBUTION TO SOMERSET REGIONAL CENTER PARTNERSHIP	12,100.00	10,900.00	10,890.00	10.00	
ENVIRONMENTAL COMMISSION (N.J.S.A. 40:56a-1 et seq.):					
Other Expenses	530.00	530.00	520.40	9.60	
SENIOR CITIZEN SERVICES:					
Salaries and Wages	107,457.76	107,457.76	103,245.52	4,212.24	
Other Expenses	21,425.00	21,425.00	21,164.67	260.33	
DIVISION OF RECREATION:					
Salaries and Wages	386,479.68	386,479.68	379,703.28	6,776.40	
Other Expenses	96,970.00	91,970.00	78,227.47	13,742.53	
BRANCH LIBRARY:					
Salaries and Wages	17,492.94	17,492.94	3,599.41	13,893.53	
Other Expenses	244,463.00	244,463.00	243,922.94	540.06	
GREEN BROOK FLOOD CONTROL:					
Other Expenses	1,500.00	1,500.00	1,388.09	111.91	
STATE UNIFORM CONSTRUCTION CODE CODE OFFICIAL:					
Salaries and Wages	708,643.09	658,643.09	629,887.54	28,755.55	
Other Expenses	143,100.00	143,100.00	142,562.23	537.77	
STREET LIGHTING	350,000.00	350,000.00	350,000.00		
TELEPHONE SERVICE	150,000.00	135,000.00	135,000.00		
CENTRAL OFFICE SUPPLY	18,500.00	20,500.00	20,498.99	1.01	
UTILITIES	800,000.00	800,000.00	798,015.92	1,984.08	
POSTAGE	45,000.00	45,000.00	44,948.06	51.94	
SALARY SETTLEMENTS AND ADJUSTMENTS	150,000.00	150,000.00	150,000.00		
TOTAL OPERATIONS WITHIN "CAPS"	\$ 26,163,445.04	\$ 26,867,325.04	\$ 26,313,716.36	\$ 553,608.68	\$
CONTINGENT	\$ 4,000.00	\$ 4,000.00	\$	\$ 4,000.00	\$
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	\$ 26,167,445.04	\$ 26,871,325.04	\$ 26,313,716.36	\$ 557,608.68	\$
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"					
DEFERRED CHARGES					
Prior Year Bills - Jim O'Reilly HVAC	\$ 11,180.50	\$ 2,290.50	\$ 2,290.50	\$	
CONTRIBUTION TO:					
Social Security System (O.A.S.I.)	1,239,000.00	1,229,000.00	1,139,252.02	89,747.98	
DCRP	5,000.00	5,000.00	1,408.02	3,591.98	
Pension Firemen's Widows	6,000.00	6,000.00	5,000.00	1,000.00	
Police and Firemen's Retirement System of NJ	1,712,676.00	1,712,676.00	1,712,676.00		
Unemployment Compensation Insurance	80,000.00	23,000.00	23,000.00		
Public Employees' Retirement System of NJ	921,703.00	921,703.00	921,703.00		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	\$ 3,975,559.50	\$ 3,899,669.50	\$ 3,805,329.54	\$ 94,339.96	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	\$ 30,143,004.54	\$ 30,770,994.54	\$ 30,119,045.90	\$ 651,948.64	\$

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2012

	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	100,000.00	111,000.00	110,964.31	35.69	
DOG REGULATION	221,358.00	221,358.00	221,358.00		
BRANCH LIBRARY:					
Salaries and Wages	138,799.00	138,799.00	138,799.00		
Other Expenses	29,521.54	29,521.54	29,521.54		
Insurance - Employee Group Insurance	135,466.38	135,466.38	71,299.42	64,166.96	
Social Security	16,213.08	16,213.08	5,193.59	11,019.49	
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	\$ 650,358.00	\$ 661,358.00	\$ 586,135.86	\$ 75,222.14	\$
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES					
Municipal Alliance Program					
State Aid	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	74,559.24	74,559.24	74,559.24		
Safe and Secure Communities Program					
State Aid	60,000.00	60,000.00	60,000.00		
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	16,882.88	16,882.88	16,882.88		
Over Limit Under Arrest (N.J.S.A. 40A: 4-87 +\$4,400.00)	5,000.00	9,400.00	9,400.00		
Buffer Zone Protection (N.J.S.A. 40A: 4-87 +\$31,000.00)		31,000.00	31,000.00		
Bulletproof Vest Partnership Grant (N.J.S.A. 40A: 4-87+\$2,317.50)		2,317.50	2,317.50		
NJDOT Municipal Aid Program	140,000.00	140,000.00	140,000.00		
Recycling Tonnage Grant	60,910.61	60,910.61	60,910.61		
Regional Center Partnership (N.J.S.A. 40A:4-87 +\$20,000.00)		20,000.00	20,000.00		
CDBG Youth Development	5,722.00	5,722.00	5,722.00		
Body Armor Replacement Fund (N.J.S.A. 40A: 4-87+\$6,804.73)	6,805.35	13,610.08	13,610.08		
Highway Traffic Safety Program (N.J.S.A. 40A:4-87+\$100,131.75)		100,131.75	100,131.75		
Alcohol Education Rehabilitation Program (N.J.S.A. 40A:4-87 +\$4,532.90)		4,532.90	4,532.90		
Aggressive Driving	8,000.00	8,000.00	8,000.00		
TARGET Public Safety (N.J.S.A. 40A:4-87 +\$2,000.00)		2,000.00	2,000.00		
Youth Development Program (N.J.S.A. 40A: 4-87 +\$10,000.00)	33.75	10,033.75	10,033.75		
Emergency Management (N.J.S.A. 40A: 4-87 +\$5,000.00)		5,000.00	5,000.00		
TOTAL FOR STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES	\$ 550,234.83	\$ 736,421.71	\$ 736,421.71	\$	\$
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	\$ 1,200,592.83	\$ 1,397,779.71	\$ 1,322,557.57	\$ 75,222.14	\$

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, 2012

	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	30,000.00	30,000.00	22,675.27	7,324.73	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	\$ 130,000.00	\$ 130,000.00	\$ 122,675.27	\$ 7,324.73	\$
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	\$ 1,765,000.00	1,765,000.00	1,765,000.00	\$	\$
Payment of Bond Anticipation Notes	186,000.00	186,000.00	185,180.00		820.00
Interest on Bonds	1,441,917.00	1,441,917.00	1,439,908.47		2,008.53
Interest on Notes	202,216.00	202,216.00	201,147.74		1,068.26
Green Acres Loan Principal	121,308.00	121,308.00	121,308.00		
Green Acres Loan Interest	17,879.00	17,879.00	17,878.77		0.23
Payment of NJEIT Principal	51,989.00	51,989.00	51,988.88		0.12
Payment of NJEIT Interest	16,575.00	17,585.00	17,577.18		7.82
Improvement Authority	168,244.00	168,244.00	155,319.60		12,924.40
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	\$ 3,971,128.00	\$ 3,972,138.00	\$ 3,955,308.64	\$	\$ 16,829.36
DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM CAPS					
Emergency Authorizations	\$ 642,509.00	\$ 642,509.00	\$ 642,509.00	\$	\$
Special Emergency Authorizations - 5 Years (N.J.S.A.40A:4-55)	26,400.00	26,400.00	26,400.00		
TOTAL DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM CAPS	\$ 668,909.00	\$ 668,909.00	\$ 668,909.00	\$	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 5,970,629.83	\$ 6,168,826.71	\$ 6,069,450.48	\$ 82,546.87	\$ 16,829.36
SUBTOTAL GENERAL APPROPRIATIONS	\$ 36,113,634.37	\$ 36,939,821.25	\$ 36,188,496.38	\$ 734,495.51	\$ 16,829.36
RESERVE FOR UNCOLLECTED TAXES	\$ 2,250,000.00	\$ 2,250,000.00	\$ 2,250,000.00	\$	\$
TOTAL GENERAL APPROPRIATIONS	\$ 38,363,634.37	\$ 39,189,821.25	\$ 38,438,496.38	\$ 734,495.51	\$ 16,829.36
	REF.	A-2:A-3	A-3	A-1:A-3	A:A-1
Budget	A-3		\$ 38,363,634.37		
Emergency - N.J.S.A. 40A:4-46	A-32		640,000.00		
Appropriation by 40A:4-87	A-2		186,186.88		
	A-3		\$ 39,189,821.25		
Reserve for Accounts Payable	A-11			\$ 1,390,992.51	
Reserve for Grants Appropriated	A-23			603,773.71	
Deferred Charges	A-32			668,909.00	
Reserve for Uncollected Taxes	A-2			2,250,000.00	
Disbursements (net of refunds)	A-4			33,524,821.16	
	A-3			\$ 38,438,496.38	

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, 2012</u>	<u>BALANCE DECEMBER 31, 2011</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	\$ 28,994.20	\$ 34,991.34
Due State Department of Health	B-14	3.00	
		<u>\$ 28,997.20</u>	<u>\$ 34,991.34</u>
Other Funds:			
Cash	B-2	\$ 13,885,987.53	\$ 20,627,327.57
Due Current Fund	B-17	798,711.60	749,296.20
Due Grant Fund	B-19	270,473.73	
Due Sewer Utility Operating Fund	B-18	37.00	19.00
		<u>\$ 14,955,209.86</u>	<u>\$ 21,376,642.77</u>
		<u>\$ 15,523,993.27</u>	<u>\$ 21,951,420.32</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Assessment Overpayments	B-6	\$ 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
Due Current Fund	B-16	97.80	7,653.74
Reserve For Expenditures	B-13	28,306.40	26,049.20
Accounts Payable	B-15	593.00	1,286.00
		<u>\$ 28,997.20</u>	<u>\$ 34,991.34</u>
Other Funds:			
Accounts Payable	B-9	\$ 1,028,569.68	\$ 1,978,566.94
Reserve for State Unemployment Insurance	B-8	48,865.42	5,454.74
Due General Capital Fund	B-6	7.16	107.16
Reserve for Various Trust Deposits	B-12	4,832,405.59	10,256,266.89
Reserve for Municipal Open Space Trust Deposits	B-11	9,045,362.01	9,136,247.04
		<u>\$ 14,955,209.86</u>	<u>\$ 21,376,642.77</u>
		<u>\$ 15,523,993.27</u>	<u>\$ 21,951,420.32</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, 2011
and December 31, 2012

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, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 4,697,365.51	\$ 7,105,840.35
Due Open Space Trust Fund	C-10	107.16	107.16
Due Sewer Utility Operating Fund	C-8	99.68	99.68
Due Sewer Utility Capital Fund	C-18	15,140.20	
Deferred Charges to Future Taxation:			
Funded	C-5	51,922,630.83	37,472,410.05
Unfunded	C-6	<u>7,930,835.95</u>	<u>21,865,265.95</u>
		<u>\$ 64,566,179.33</u>	<u>\$ 66,443,723.19</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-11	\$ 50,379,000.00	\$ 35,602,000.00
Bond Anticipation Notes	C-12		16,024,534.00
Green Acres Loans Payable	C-15	802,833.63	924,141.08
Infrastructure Loan Payable	C-13	541,045.65	593,034.53
Improvement Authority Loans Payable	C-17	199,751.55	353,234.44
Capital Improvement Fund	C-7	105,068.30	157,318.30
Due COAH Trust Fund	C-19	100.00	
Improvement Authorizations:			
Funded	C-9	5,529,440.39	661,531.18
Unfunded	C-6:C-9	3,538,670.66	7,493,564.79
Reserve for:			
Capital Projects	C-4	1,756,354.75	1,638,508.75
Debt Service	C-14	900.16	101,900.16
Contracts Payable	C-16	1,420,746.45	2,554,646.66
Fund Balance	C-1	<u>292,267.79</u>	<u>339,309.30</u>
		<u>\$ 64,566,179.33</u>	<u>\$ 66,443,723.19</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, 2011	C		\$ 339,309.30
Increased by:			
Premium on Note	C-2	\$ 13,869.61	
Canceled Ordinance	C-9	<u>69,088.88</u>	
			<u>82,958.49</u>
			\$ <u>422,267.79</u>
Decreased by-			
Utilized as Anticipated Revenue Current Fund	C-2		<u>130,000.00</u>
Balance, December 31, 2012	C		<u>\$ 292,267.79</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, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
OPERATING FUND:			
Cash	D-6	\$ 4,587,872.59	\$ 6,646,778.40
Change Fund	D-9	100.00	100.00
Interfund Accounts Receivable	D-11	751.66	46.30
Deferred Charges	D-36		23,000.00
		<u>\$ 4,588,724.25</u>	<u>\$ 6,669,924.70</u>
Receivables with Full Reserves:			
Sewer Charges Receivable	D-14	\$ 456,301.03	\$ 599,988.06
	D	\$ 456,301.03	\$ 599,988.06
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 5,045,025.28</u>	<u>\$ 7,269,912.76</u>
ASSESSMENT TRUST FUND:			
Cash	D-6:D-7	\$ 11,438.96	\$ 11,438.96
Assessments Receivable	D-18	53,975.86	53,975.86
Prospective Assessments Funded	D-21	941,462.58	941,462.58
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 1,006,877.40</u>	<u>\$ 1,006,877.40</u>
CAPITAL FUND - REGULAR:			
Cash	D-6:D-8	\$ 2,672,818.27	\$ 251,987.59
EIT Loan Receivable	D-33	30,347.00	88,677.00
Fixed Capital	D-17	14,461,212.00	14,461,212.00
Fixed Capital Authorized and Uncompleted	D-16	4,909,500.00	2,834,500.00
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 22,073,877.27</u>	<u>\$ 17,636,376.59</u>
	D	<u>\$ 28,125,779.95</u>	<u>\$ 25,913,166.75</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 DECEMBER 31, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
OPERATING FUND:			
Liabilities:			
Interfund Accounts Payable	D-11	\$ 136.68	\$ 26,726.50
Appropriation Reserves	D-5:D-20	928,588.58	1,472,587.99
Accounts Payable	D-19	134,490.69	803,199.00
Sewer Overpayments	D-22	40,629.94	57,881.55
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	5,200.41	8,476.00
Accrued Interest on Bonds	D-12	41,520.29	34,151.32
Accrued Interest on Loans	D-34	3,125.00	3,125.00
		<u>\$ 1,178,429.65</u>	<u>\$ 2,430,885.42</u>
Reserve for Receivables	D	456,301.03	599,988.06
Fund Balance	D-1	<u>3,410,294.60</u>	<u>4,239,039.28</u>
		<u>\$ 5,045,025.28</u>	<u>\$ 7,269,912.76</u>
<u>TOTAL OPERATING FUND</u>			
ASSESSMENT TRUST FUND:			
Due Sewer Operating Fund	D-23	\$ 46.30	\$ 46.30
Reserve for Assessments and Liens	D-15	995,438.44	995,438.44
		<u>\$ 995,484.74</u>	<u>\$ 995,484.74</u>
Fund Balance	D-2	<u>11,392.66</u>	<u>11,392.66</u>
		<u>\$ 1,006,877.40</u>	<u>\$ 1,006,877.40</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, 2012</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)</u>			
CAPITAL FUND - REGULAR:			
Liabilities:			
Serial Bonds Payable	D-30	\$ 1,464,000.00	\$ 929,000.00
EIT Loan Payable	D-31	630,770.92	663,169.20
Due General Capital Fund	D-32	15,140.20	
Improvement Authorizations:			
Funded	D-29	1,728,283.57	190,071.07
Unfunded	D-29	1,442.00	587,749.57
Contracts Payable	D-26	888,372.03	131,138.58
Reserve for Amortization	D-25	13,742,668.21	13,609,269.93
Deferred Reserve for Amortization	D-24	3,531,450.00	1,456,450.00
		<u>\$ 22,002,126.93</u>	<u>\$ 17,566,848.35</u>
Fund Balance	D-3	71,750.34	69,528.24
		<u>\$ 22,073,877.27</u>	<u>\$ 17,636,376.59</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 22,073,877.27</u>	<u>\$ 17,636,376.59</u>
	D	<u>\$ 28,125,779.95</u>	<u>\$ 25,913,166.75</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, 2012	BALANCE DECEMBER 31, 2011
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance	D-1:D-4	\$ 2,228,748.24	\$ 308,352.10
Sewer Use Charges	D-4	9,886,255.75	9,555,393.14
Connection Fees	D-4:D-13	39,256.71	18,700.00
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	6,324.49	20,446.59
Miscellaneous Revenue Not Anticipated	D-4:D-6	175,141.64	150,485.63
Sewer Overpayments Canceled	D-22	186.17	9.92
Other Credits to Income:			
Deferred Charges			23,000.00
Unexpended Balance of Appropriation Reserves	D-20	705,687.49	1,198,097.14
Accounts Payable Canceled	D-19	7,158.82	33,186.79
		<u>\$ 13,142,109.65</u>	<u>\$ 11,401,021.65</u>
<u>EXPENDITURES</u>			
Operating	D-5	\$ 9,301,313.39	\$ 9,654,159.10
Capital Improvements	D-5	2,075,000.00	
Debt Service	D-5	186,734.13	177,368.28
Deferred Charges and Statutory Expenditures	D-5	178,000.00	145,000.00
Refund of Prior Year Revenue	D-6	1,058.57	3,597.35
Miscellaneous Revenue Not Anticipated			1,189.63
		<u>\$ 11,742,106.09</u>	<u>\$ 9,981,314.36</u>
Excess to Fund Balance		\$ 1,400,003.56	\$ 1,419,707.29
Balance, January 1	D	4,239,039.28	3,127,584.09
		<u>\$ 5,639,042.84</u>	<u>\$ 4,547,291.38</u>
Decreased by:			
Utilization by Sewer Operating Budget	D-1	2,228,748.24	308,352.10
Fund Balance, December 31	D	<u>\$ 3,410,294.60</u>	<u>\$ 4,238,939.28</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, 2011 and December 31, 2012	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, 2011	D	\$ 69,528.24
Increased by:		
Canceled Ordinance	D-29	<u>2,222.10</u>
Balance, December 31, 2012	D	<u>\$ 71,750.34</u>

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2012

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	D-1	\$ 2,228,748.24	\$ 2,228,748.24	\$
Sewer Use Charges	D-1	9,400,000.00	9,886,255.75	486,255.75
Connection Fees	D-1:D-13	10,000.00	39,256.71	29,256.71
Interest on Investments and Deposits	D-1:D-6	10,000.00	6,324.49	(3,675.51)
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	\$ 11,741,048.24	\$ 12,253,935.53	\$ 512,887.29
Non - Budget Revenue	D-1:D-4:D-6		175,141.64	175,141.64
		<u>\$ 11,741,048.24</u>	<u>\$ 12,429,077.17</u>	<u>\$ 688,028.93</u>

ANALYSIS OF NON-BUDGET REVENUE:

Miscellaneous:				
Interest on Sewer Charges			\$ 163,861.64	
Miscellaneous			<u>11,280.00</u>	
	D-1:D-4:D-6		<u>\$ 175,141.64</u>	

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, 2012

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
OPERATING:					
Salaries and Wages	\$ 1,523,463.39	\$ 1,573,463.39	\$ 1,534,237.59	\$ 39,225.80	\$
Other Expenses	2,377,850.00	2,527,850.00	2,317,537.44	210,312.56	
Somerset Raritan Valley Sewerage Authority	5,400,000.00	5,200,000.00	4,523,580.60	676,419.40	
TOTAL OPERATING	\$ 9,301,313.39	\$ 9,301,313.39	\$ 8,375,355.63	\$ 925,957.76	\$
CAPITAL IMPROVEMENTS:					
Capital Improvement Fund	\$ 2,075,000.00	\$ 2,075,000.00	\$ 2,075,000.00		\$
TOTAL CAPITAL IMPROVEMENTS	\$ 2,075,000.00	\$ 2,075,000.00	\$ 2,075,000.00		\$
DEBT SERVICE:					
Payment of Bond Principal	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00		\$
Interest on Bonds	44,714.85	44,714.85	44,714.85		
NJEITF Principal	32,399.00	32,399.00	32,398.28		0.72
NJEITF Interest	9,621.00	9,621.00	9,621.00		
TOTAL DEBT SERVICE	\$ 186,734.85	\$ 186,734.85	\$ 186,734.13		\$ 0.72
DEFERRED CHARGES:					
Emergency Authorizations	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00		\$
TOTAL DEFERRED CHARGES	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00		\$
STATUTORY EXPENDITURES:					
Statutory Expenditures:					
Social Security	\$ 120,000.00	\$ 120,000.00	\$ 117,369.18	\$ 2,630.82	\$
Unemployment Compensation Insurance	35,000.00	35,000.00	35,000.00		
TOTAL STATUTORY EXPENDITURES	\$ 155,000.00	\$ 155,000.00	\$ 152,369.18	\$ 2,630.82	\$
	\$ 11,741,048.24	\$ 11,741,048.24	\$ 10,812,458.94	\$ 928,588.58	\$ 0.72
	REF.	D-4	D-1	D:D-1	D-1
Disbursements	D-6		\$ 10,654,389.64		
Accrued Interest on Bonds	D-12		54,335.85		
Accounts Payable	D-19		103,733.45		
			\$ 10,812,458.94		

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>	<u>BALANCE DECEMBER 31, 2012</u>	<u>BALANCE DECEMBER 31, 2011</u>
<u>ASSETS</u>			
Cash - Public Assistance Trust Fund I	E-1	\$ 3,642.56	\$ 6,363.47
Cash - Public Assistance Trust Fund II	E-1	<u>57,888.42</u>	<u>151,562.59</u>
		<u>\$ 61,530.98</u>	<u>\$ 157,926.06</u>
<u>LIABILITIES</u>			
Reserve for Public Assistance Trust Fund I		\$ 3,642.56	\$ 4,573.07
Reserve for Public Assistance Trust Fund II		<u>57,888.42</u>	<u>153,352.99</u>
		<u>\$ 61,530.98</u>	<u>\$ 157,926.06</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, 2012</u>	BALANCE DECEMBER <u>31, 2011</u>
FIXED ASSETS		
Land	\$ 108,498,338.00	\$ 108,498,338.00
Buildings	43,367,400.00	42,423,000.00
Machinery and Equipment	<u>9,798,100.00</u>	<u>9,326,210.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 161,663,838.00</u>	<u>\$ 160,247,548.00</u>
RESERVE		
Investments in General Fixed Assets	<u>\$ 161,663,838.00</u>	<u>\$ 160,247,548.00</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, 2012 AND 2011

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 statutory 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, 2012:

	Change Fund	Cash in Bank	Additions	Deletions	Reconciled Balance
Cuurent Fund	\$410.00	\$10,324,872.09	\$70,868.07	\$524,730.13	\$9,871,010.03
Grant Fund		233,191.75		175,601.44	57,590.31
Assessment Fund		48,834.42			48,834.42
Animal Contol Fund		29,000.80		6.60	28,994.20
Trust Other Fund		13,936,952.56	599.63	51,564.66	13,885,987.53
General Capital Fund		4,709,252.87		11,887.36	4,697,365.51
Sewer Operating Fund	100.00	4,676,109.90	6,430.90	94,668.21	4,587,872.59
Sewer Assessment Fund		11,438.96			11,438.96
Sewer Capital Fund		2,917,720.27		244,902.00	2,672,818.27
Public Assistance Fund		15,572.98	64,097.00	18,139.00	61,530.98
	<u>\$510.00</u>	<u>\$36,902,946.60</u>	<u>\$141,995.60</u>	<u>\$1,121,499.40</u>	<u>\$35,923,442.80</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, 2012, 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 \$1,500,000.00 was covered by Federal Depository Insurance and \$35,402,946.60 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 statutory 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 STATUTORY DEBT CONDITION
ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory next debt of 0.64%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 41,650,283.76	\$ 41,650,283.76	\$
Sewer Utility Debt	2,732,593.79	2,732,593.79	
General Debt	<u>59,853,466.78</u>	<u>900.16</u>	<u>59,852,566.62</u>
	<u>\$ 104,236,344.33</u>	<u>\$ 44,383,777.71</u>	<u>\$ 59,852,566.62</u>

Net debt of \$59,852,566.62 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of \$9,322,763,440.67 equals 0.64%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2012</u>	<u>YEAR 2011</u>	<u>YEAR 2010</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 52,553,401.75	\$ 53,806,838.81	\$ 45,926,541.83
Sewer Utility:			
Bonds and Notes	<u>1,464,000.00</u>	<u>929,000.00</u>	<u>1,024,000.00</u>
Total Issued	<u>\$ 54,017,401.75</u>	<u>\$ 54,735,838.81</u>	<u>\$ 46,950,541.83</u>
Less:			
Estimated Proceeds of Bonds and Notes - Reserve for Debt Service	<u>\$ 900.16</u>	<u>\$ 101,900.16</u>	<u>\$ 246,153.30</u>
Total Deductions	<u>\$ 900.16</u>	<u>\$ 101,900.16</u>	<u>\$ 246,153.30</u>
Net Debt Issued	<u>\$ 54,016,501.59</u>	<u>\$ 54,633,938.65</u>	<u>\$ 46,704,388.53</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	\$ 7,930,835.95	\$ 5,840,731.95	\$ 19,984,650.95
Sewer Utility:			
Bonds and Notes	<u>637,822.87</u>	<u>637,822.87</u>	<u>637,822.87</u>
Total Authorized But Not Issued	<u>\$ 8,568,658.82</u>	<u>\$ 6,478,554.82</u>	<u>\$ 20,622,473.82</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u><u>\$ 62,585,160.41</u></u>	<u><u>\$ 61,112,493.47</u></u>	<u><u>\$ 67,326,862.35</u></u>

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

Equalized Valuation Basis* - December 31, 2012	<u>\$ 9,322,763,440.67</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 326,296,720.42
Net Debt	<u>59,852,566.62</u>
Remaining Borrowing Power	<u><u>\$ 266,444,153.80</u></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.A. 40A:2-45

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 10,025,187.29
Deductions:		
Operating and Maintenance Cost	\$ 9,456,314.11	
Debt Service per Sewer Account	<u>186,734.13</u>	
Total Deductions		<u>9,643,048.24</u>
Excess in Revenue		\$ <u>382,139.05</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 \$640,000.00 through 2013 at a variable interest rate		\$640,000.00
\$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		5,992,000.00
\$16,642,000.00 General Obligation Bonds of 2012 due in annual installments of \$510,000.00 to \$1,012,000.00 through 2032 at a variable interest rate		16,642,000.00
\$5,655,000.00 General Obligation Refunding Bonds of 2012 due in annual installments of \$600,000.00 to \$640,000.00 through 2022 at variable interest rate		5,580,000.00
\$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>21,525,000.00</u>
		<u>\$50,379,000.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

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 2013 at a variable interest rate	\$60,000.00
\$636,000.00 General Obligation Bonds of 2012 due in annual installments of \$20,000.00 to \$40,000.00 through 2032 at a variable interest rate	636,000.00
\$415,000.00 General Obligation Refunding Bonds of 2012 due in annual installments of \$55,000.00 to \$60,000.00 through 2022 at a variable interest rate	410,000.00
\$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>358,000.00</u>
	<u>\$1,464,000.00</u>

Improvement Authority Loan:

\$44,541.00 Improvement Authority Loan of 2008 due in monthly installments through 2012 at an interest rate of 3.27%	\$ 802.49
\$53,408.80 Improvement Authority Loan of 2008 due in monthly installments through 2013 at an interest rate of 3.34%	11,469.24
\$77,246.82 Improvement Authority Loan of 2009 due in monthly installments through 2014 at an interest rate of 2.75%	16,662.18
\$139,218.40 Improvement Authority Loan of 2011 due in monthly installments through 2014 at an interest rate of 2.75%	94,415.96
\$93,890.61 Improvement Authority Loan of 2011 due in monthly installments through 2016 at an interest rate of 2.75%	<u>76,401.68</u>
	<u>\$199,751.55</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

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	\$236,045.65
\$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>305,000.00</u>
	<u>\$541,045.65</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%	\$14,323.20
\$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%	\$254,924.16
\$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%	202,184.73
\$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%	203,939.32
\$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>127,462.22</u>
	<u>\$802,833.63</u>

Bonds and Notes Authorized but not Issued:

There is \$7,930,835.95 General Capital and \$637,822.87 Sewer Capital Bonds and Notes Authorized but not Issued at December 31, 2012.

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AT DECEMBER 31, 2012

YEAR	GENERAL		SEWER UTILITY	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2013	\$2,275,000.00	\$1,713,740.00	\$115,000.00	\$48,702.50
2014	2,355,000.00	1,648,496.25	120,000.00	44,708.75
2015	2,435,000.00	1,582,521.25	120,000.00	40,965.00
2016	2,530,000.00	1,514,190.00	120,000.00	37,221.25
2017	2,625,000.00	1,437,352.50	120,000.00	33,477.50
2018	2,700,000.00	1,357,783.75	120,000.00	29,733.75
2019	2,840,000.00	1,269,333.75	117,000.00	25,390.00
2020	3,035,000.00	1,171,202.50	117,000.00	21,101.25
2021	3,180,000.00	1,063,440.00	62,000.00	13,635.00
2022	3,277,000.00	947,465.00	62,000.00	12,885.00
2023	1,985,000.00	830,495.00	35,000.00	11,985.00
2024	1,985,000.00	761,195.00	40,000.00	10,860.00
2025	1,985,000.00	691,895.00	40,000.00	9,660.00
2026	2,010,000.00	622,595.00	40,000.00	8,460.00
2027	2,010,000.00	551,663.75	40,000.00	7,235.00
2028	2,010,000.00	479,470.00	40,000.00	5,960.00
2029	2,010,000.00	406,645.00	40,000.00	4,660.00
2030	2,010,000.00	333,188.75	40,000.00	3,335.00
2031	2,010,000.00	258,470.00	40,000.00	1,960.00
2032	2,012,000.00	183,085.00	36,000.00	630.00
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>\$50,379,000.00</u>	<u>\$19,080,352.50</u>	<u>\$1,464,000.00</u>	<u>\$372,565.00</u>

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2012

Payment Date	Fund Loan	Trust Loan		Total
	Principal	Principal	Interest	
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>\$236,045.65</u>	<u>\$305,000.00</u>	<u>\$78,950.00</u>	<u>\$383,950.00</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2012

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>	
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>\$254,924.16</u>	<u>\$24,900.18</u>	<u>\$202,184.73</u>	<u>\$18,679.23</u>	<u>\$500,688.30</u>

Alfred S. Brown Park Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$203,939.32</u>	<u>\$19,920.16</u>	<u>\$223,859.48</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2012 (CONTINUED)

YMCA Land Acquisition Loan:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$127,462.22</u>	<u>\$12,449.98</u>	<u>\$139,912.20</u>

Tullo Road Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$9,501.23	\$239.19	\$9,740.42
2014	4,821.97	48.23	4,870.20
	<u>\$14,323.20</u>	<u>\$287.42</u>	<u>\$14,610.62</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS ISSUED AND OUTSTANDING AT
DECEMBER 31, 2012

<u>Year</u>	<u>2008 Loan - 60 Months</u>		<u>2008 Loan - 60 Months</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2013	\$11,469.24	\$208.56	\$802.49	\$2.19	\$12,482.48
	<u>\$11,469.24</u>	<u>\$208.56</u>	<u>\$802.49</u>	<u>\$2.19</u>	<u>\$12,482.48</u>

<u>Year</u>	<u>2009 Loan - 60 Months</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2013	\$8,216.83	\$355.13	\$8,571.96
2014	8,445.35	126.61	8,571.96
	<u>\$16,662.18</u>	<u>\$481.74</u>	<u>\$17,143.92</u>

<u>Year</u>	<u>2011 Loan - 36 Months</u>		<u>2011 Loan - 60 Months</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
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>\$94,415.96</u>	<u>\$2,723.08</u>	<u>\$76,401.68</u>	<u>\$4,361.20</u>	<u>\$177,901.92</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2012, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2013, as introduced were as follows:

Current Fund	\$3,000,000.00
Sewer Utility Fund	\$ 587,377.96

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, 2012</u>	BALANCE DECEMBER <u>31, 2011</u>
Prepaid Taxes	<u>\$1,098,126.76</u>	<u>\$1,009,587.52</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 \$2,635,787.02 for 2012, \$3,047,109.17 for 2011 and \$2,797,404.33 for 2010.

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 \$5,656,293.64. 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, 2012.

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, 2012, 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 2012 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 \$739,431.00 at December 31, 2012.

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>
2012	\$ 20,504.40	\$ 76,500.00	\$ 53,593.72	\$ 48,865.42
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

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 \$111,000.00 for the program in 2012.

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, 2012:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 97.80	\$ 799,416.96
Grant Fund		270,473.73
Animal Control Fund		97.80
Trust Other Fund	1,069,222.33	7.16
General Capital Fund	15,247.04	
Sewer Utility Operating Fund	751.66	136.68
Sewer Assessment Trust Fund		46.30
Sewer Capital Fund		15,140.20
	<u>\$ 1,085,318.83</u>	<u>\$ 1,085,318.83</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)

B. Development of the December 31, 2012 Net OPEB Obligation

Annual OPEB Cost for fiscal year ending December 31, 2012	\$ 8,881,073
Contributions for fiscal year ending December 31, 2012	<u>2,175,673</u>
Annual Expense Difference	\$ 6,705,400
 Net OPEB Obligation as of December 31, 2012	 \$25,420,770

C. GASB 45 Schedule of Funding Progress

(\$ 000s)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Accrued Liability</u>	<u>Unfunded Accrued Liability (UAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAL as a Percentage of Covered Payroll</u>
	(a)	(b)	(b - a)	(a / b)	(c)	((b - a) / c)
January 1, 2009	\$0	\$79,797,226	\$79,797,226	0.0%	to be determined	to be determined

D. GASB 45 Schedule of Employer Contributions

(\$ 000s)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2012	\$8,881	24.5%	\$25,421
December 31, 2011	\$8,420	23.2%	\$18,715
December 31, 2010	\$7,978	21.8%	\$12,246
December 31, 2009	\$7,553	20.5%	\$ 6,005

TOWNSHIP OF BRIDGEWATER
SUPPLEMENTARY SCHEDULES – ALL FUNDS
YEAR ENDED DECEMBER 31, 2012

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	REF.	CURRENT FUND	GRANT FUND
Balance, December 31, 2011	A	\$ 9,212,330.06	\$ 88,859.30
Increased by Receipts:			
Taxes Receivable	A-8	\$ 166,880,461.57	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	369,188.36	
Interfunds	A-12	5,070,136.04	
Due Current Fund	A-29		390,235.09
Due Other Trust Fund	A-30		270,473.73
Petty Cash	A-5	1,000.00	
Revenue Accounts Receivable	A-13	13,340,029.77	
Miscellaneous Revenue Not Anticipated	A-2	732,304.03	
Tax Overpayments	A-17	96,223.87	
Prepaid Taxes	A-18	1,097,337.89	
Tax Title Liens	A-9	8,678.05	
Grants-Appropriated - Match	A-23		120,789.00
Grants - Unappropriated	A-24		103,772.47
Grants Receivable	A-25		528,113.78
Sale of Municipal Assets	A-19	9,416.38	
Construction Code DCA - Due State of NJ	A-16	111,629.00	
Marriage/Civil Union Licenses Due State of NJ	A-27	4,900.00	
Reserve for Storm Damage - FEMA	A-26	269,937.35	
Reserve for Insurance Damage	A-31	16,471.23	
Reserve for Emergency Note Payable	A-28	640,000.00	
		<u>188,647,713.54</u>	<u>1,413,384.07</u>
		\$ 197,860,043.60	\$ 1,502,243.37
Decreased by Disbursements:			
2012 Appropriations	A-3	\$ 33,524,821.16	\$
Appropriation Reserves	A-14	1,354,623.47	
Interfunds	A-12	4,987,484.07	
Due Current Fund	A-29		388,742.78
Petty Cash	A-5	1,000.00	
Tax Overpayments	A-17	227,747.69	
Regional School District Taxes	A-21	111,787,443.35	
County Taxes	A-20	33,402,028.03	
Special Fire District Taxes	A-22	2,244,354.00	
Refund of:			
Uniform Construction Code Fees	A-2	7,900.40	
Recreation Fees	A-2	3,113.00	
Prior Year Revenue	A-1	550.00	
Construction Code DCA - Due State of NJ	A-16	122,721.00	
Marriage/Civil Union Licenses Due State of NJ	A-27	4,825.00	
Reserve for Accounts Payable	A-11	1,375.00	
Reserve for Tax Appeals	A-15	86,538.40	
Reserve for Emergency Note Payable	A-28	432,509.00	
Grants-Appropriated	A-23		1,055,910.28
		<u>188,189,033.57</u>	<u>1,444,653.06</u>
Balance, December 31, 2012	A	\$ <u>9,671,010.03</u>	\$ <u>57,590.31</u>

"A-5"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF PETTY CASH

OFFICE

Police Department
Finance Department

RECEIVED
FROM
TREASURER

RETURNED
TO
TREASURER

\$	500.00	\$	500.00
	500.00		500.00
<hr/>		<hr/>	
\$	1,000.00	\$	1,000.00
<hr/>		<hr/>	

REF.

A-4

A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2011
and December 31, 2012

A

\$ 410.00

DETAIL

Tax Collector
Police
Township Clerk
Municipal Court

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

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

	<u>REF.</u>		
Balance, December 31, 2011 (Due From)	A		\$ 176,382.48
Increased by:			
Senior Citizens Deductions Per Tax Billing	A-7	\$ 67,000.00	
Veterans Deductions Per Tax Billing	A-7	306,750.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector	A-7	<u>3,000.00</u>	
			\$ <u>376,750.00</u>
Decreased by:			
Senior Citizens Deductions Disallowed by Collector	A-7	\$ 32,917.91	
Received From State	A-4	<u>369,188.36</u>	
			<u>402,106.27</u>
Balance, December 31, 2012 (Due From)	A		<u>\$ 151,026.21</u>

ANALYSIS OF STATE SHARE OF 2012 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing	A-7	\$ 67,000.00	
Veterans Deductions Per Tax Billing	A-7	306,750.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector-2012 Taxes	A-7	<u>3,000.00</u>	
			\$ 376,750.00
Less:			
Deductions Disallowed by Collector	A-7		<u>32,917.91</u>
	A-8		<u>\$ 343,832.09</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2011	2012 LEVY	ADDED TAXES	COLLECTIONS BY CASH 2011	2012	CANCELED	OVERPAYMENTS APPLIED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2012
2011	\$ 1,578,944.04	\$	\$ 27,219.62	\$	\$ 1,582,740.18	\$ 11,854.35	\$ 9.08	\$ 10,816.82	\$ 743.23
2012	\$ 1,578,944.04	\$ 168,556,539.11	\$ 27,219.62	\$ 1,009,587.52	\$ 1,582,740.18	\$ 11,854.35	\$ 9.08	\$ 10,816.82	\$ 743.23
				\$ 165,641,553.48		\$ 356,855.42	\$ 7,484.08	\$ 6,917.81	\$ 1,594,140.80
	\$ 1,578,944.04	\$ 168,556,539.11	\$ 27,219.62	\$ 1,009,587.52	\$ 167,224,293.66	\$ 368,709.77	\$ 7,493.16	\$ 17,734.63	\$ 1,594,884.03
REF.	A	A-8		A-2-A-18	A-2-A-8		A-2-A-17	A-9	A

REF.	DESCRIPTION	AMOUNT
A-4	Collector	\$ 166,880,461.57
A-7	Senior Citizens and Veterans Deductions	\$ 343,832.09
A-8		\$ 167,224,293.66

ANALYSIS OF 2012 PROPERTY TAX LEVY

TAX YIELD	AMOUNT
General Property Tax	\$ 165,994,346.94
Added Taxes (54:4-63.1 et seq.)	\$ 317,838.17
Special Fire District Tax	\$ 2,244,354.00
	\$ 168,556,539.11

TAX LEVY

Regional School District Tax (Abstract)	\$	\$ 111,787,443.35
County Tax (Abstract)	\$	33,332,035.94
County Library Tax (Abstract)	\$	2,244,354.00
County Open Space (Abstract)	\$	21,192,705.82
Due County for Added Taxes (54:4-63.1 et seq.)	\$	168,556,539.11
Total County Taxes		

Special Fire District Tax

Local Tax for Municipal Purposes (Abstract)	\$	20,912,497.41
Additional Tax Levied	\$	280,208.41
Local Tax for Municipal Purposes Levied	\$	21,192,705.82
	\$	168,556,539.11

"A-9"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2011	A		\$ 115,499.14
Increased by:			
2012 Taxes Accrued	A-8	\$ 6,917.81	
2011 Taxes Accrued	A-8	10,816.82	
Interest and Costs on Tax Sale		<u>584.87</u>	
			18,319.50
			<u>\$ 133,818.64</u>
Decreased by:			
Receipts	A-4		<u>8,678.05</u>
Balance, December 31, 2012	A		<u>\$ 125,140.59</u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance, December 31, 2011 and December 31, 2012	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, 2011			\$ 1,130,624.54
Increased by:			
2012 Budget Appropriations	A-3	\$ 1,390,992.51	
2012 Grants	A-23	161,252.94	
Appropriation Reserves	A-14	<u>76,977.44</u>	
			<u>1,629,222.89</u>
			\$ <u>2,759,847.43</u>
Decreased by:			
Disbursements	A-4	\$ 1,375.00	
Transferred to Appropriation Reserves	A-14	645,074.63	
Transferred to Grant Reserves	A-23	350,885.85	
Canceled	A-1	<u>74,189.43</u>	
			<u>1,071,524.91</u>
Balance, December 31, 2012			\$ <u><u>1,688,322.52</u></u>
<u>Analysis of Balance:</u>			
Current Fund	A	\$ 1,527,069.58	
Grant Fund	A	<u>161,252.94</u>	
			\$ <u><u>1,688,322.52</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, 2011						
Due To	A	\$ 750,788.51	\$ 1,492.31	\$	\$ 749,296.20	\$
Due From	A	34,261.56		7,653.74		26,607.82
Receipts	A-4	\$ 5,070,136.04	\$ 388,742.78	\$ 7,653.74	\$ 1,673,739.52	\$ 3,000,000.00
Tax Overpayments Applied	A-17	738.04				738.04
Transfer	A-2	97.80		97.80		
Canceled		500.00			500.00	
Disbursements	A-4	4,987,484.07	390,235.09		1,623,824.12	2,973,424.86
Balance, December 31, 2012						
Due To	A	\$ 799,416.96	\$	\$	\$ 798,711.60	\$ 705.36
Due From	A	97.80		97.80		

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>ACCRUED IN 2012</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2012</u>
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 86,002.00	\$ 86,002.00	\$
Other	A-2		30,863.00	30,863.00	
Fees and Permits	A-2		269,351.62	269,351.62	
Municipal Court:					
Fines and Costs	A-2	46,005.32	713,066.06	716,937.44	42,133.94
Interest and Costs on Taxes	A-2		363,686.20	363,686.20	
Interest on Investments and Deposits	A-2		48,303.92	48,303.92	
Recreation Fees	A-2		125,016.00	125,016.00	
Consolidated Municipal Property Tax Relief Aid	A-2		305,456.00	305,456.00	
Energy Receipts Tax	A-2		5,594,723.00	5,594,723.00	
Garden State Trust Fund	A-2		4,082.00	4,082.00	
Uniform Construction Code Fees	A-2		1,547,441.40	1,547,441.40	
Joint Services with County Library	A-2		329,664.71	329,664.71	
Life Hazard Use Fees	A-2		129,464.94	129,464.94	
Suburban Cablevision - Franchise Fee	A-2		406,061.15	406,061.15	
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		1,722,188.88	1,722,188.88	
Host Benefit Fees	A-2		221,903.23	221,903.23	
Hotel/Motel Tax	A-2		729,631.75	729,631.75	
Capital Fund Surplus	A-2		130,000.00	130,000.00	
Debt Service Reimbursement - Open Space Trust Fund	A-2		105,003.24	105,003.24	
Debt Service Reimbursement - Reserve to Pay BAN	A-2		133,154.00	133,154.00	
Animal Shelter Contributions	A-2		15,795.75	15,795.75	
Recreation - Summer Playground	A-2		76,320.00	76,320.00	
In House Escrow Fees	A-2		49,443.51	49,443.51	
		\$ 46,005.32	\$ 13,061,445.13	\$ 13,340,029.77	\$ 42,133.94
<u>REF.</u>		A		A-4	A

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2011	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>					
Mayor's Office	\$ 354.89	\$	\$ 354.89	\$	\$ 354.89
Administration	1,044.81		1,044.81		1,044.81
Economic Development	431.20		431.20		431.20
Township Council	414.90		414.90		414.90
Personnel Office	459.26		459.26	166.98	292.28
Purchasing Department	2,947.93		2,947.93		2,947.93
Grants Administration Office	398.00		398.00		398.00
Township Clerk	823.06		823.06	52.06	771.00
Director of Finance	283.93		283.93		283.93
Division of Treasury	4,114.09		4,114.09	828.58	3,285.51
Division of Tax Collection	209.00		899.70	899.70	
Tax Assessment	4,837.34		4,837.34	1,626.99	3,210.35
Legal Office	1,546.46		1,546.46		1,546.46
Engineering Director's Office	420.80		420.80		420.80
Engineering	319.99		319.99	55.84	264.15
Board of Adjustments	5,426.80		5,426.80		5,426.80
Division of Planning	5,228.74		5,228.74	36.18	5,192.56
Police	57,689.91		57,689.91	5,644.13	52,045.78
Emergency Management	7,400.00		7,400.00	300.00	7,100.00
Fire Safety	905.28		905.28		905.28
Municipal Court	7,533.19		7,533.19	1,228.94	6,304.25
Road Repairs and Maintenance	19,916.62		19,916.62	6,879.20	13,037.42
Vehicle Maintenance	1,584.01		1,584.01		1,584.01
Snow Removal	68,635.92		68,635.92	68,635.92	
Park Maintenance	24,658.95		24,658.95	3,826.16	20,832.79
Public Buildings and Grounds	3,844.17		5,192.78	1,048.00	4,144.78
Director's Office	600.12		600.12		600.12
Division of Health	223.55		446.88	446.88	
Administration of Public Assistance	708.73		708.73		708.73
Senior Citizen Services			303.45	303.45	
Division of Recreation and Parks	7,388.20		7,388.20		7,388.20
Construction Code Official	6,391.63		6,391.63	1,463.33	4,928.30
Branch Library	532.74		917.51	917.51	
<u>OTHER EXPENSES</u>					
Mayor's Office	1,886.12	200.00	2,086.12	165.00	1,921.12
Administration	17,794.82	2,204.21	19,999.03	1,797.56	18,201.47
Economic Development	302.20		302.20		302.20
Township Council	634.13	689.13	1,323.26	378.38	944.88
Personnel Office	1,022.68	599.33	1,622.01	673.33	948.68
Purchasing Department	1,774.48	2,805.41	4,579.89	1,997.92	2,581.97
Grants Administration Office	68.85		68.85		68.85
Township Clerk	349.88	2,650.31	3,000.19	2,964.31	35.88
Elections	2,145.55		2,145.55		2,145.55
Director of Finance	38.72	302.00	340.72		340.72
Division of Treasury	7,192.37	12,866.42	20,058.79	14,682.38	5,376.41
Audit	875.00		875.00		875.00
Division of Collector of Taxes	5,328.48	179.80	5,508.28	2,194.60	3,313.68
Assessment of Taxes	8,578.83	29,644.22	38,223.05	17,864.54	20,358.51
Reassessment Program	10,984.00	24,244.00	35,228.00	24,244.00	10,984.00
Legal Office	88,441.80	146,150.64	234,592.44	194,732.11	39,860.33
Employee Group Insurance	112,007.45	16,183.84	128,191.29	110,477.24	17,714.05
Engineering	1,537.72	410.31	1,948.03	557.27	1,390.76
Board of Adjustments	78.00	10,889.16	10,967.16	4,572.15	6,395.01
Division of Planning	2,036.08	9,037.14	11,073.22	7,988.10	3,085.12
Planning Board	2,341.33	11,979.94	14,321.27	146.52	14,174.75
Police	9,458.35	45,566.13	55,024.48	47,924.87	7,099.61
Vehicle Purchase	702.50	9,470.47	10,172.97	9,470.47	702.50
Office of Emergency Management	1,346.05	987.24	2,333.29	2,256.29	77.00
Fire Safety	100.00		100.00		100.00
Fire Hydrant Service	15,569.12		15,569.12		15,569.12
Municipal Court	0.78	688.05	688.83	601.95	86.88
Public Defender	5,000.00		5,000.00		5,000.00
Road Repair and Maintenance	6,605.73	117,818.95	124,424.68	119,421.00	5,003.68
Vehicle Maintenance	2,108.73	10,003.32	14,112.05	2,997.38	11,114.67
Recycling	5,652.47	21,288.11	26,940.58	21,288.11	5,652.47
Snow Removal	55.30	14,998.24	15,053.54	15,053.54	

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2011	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>					
Transportation of Local Pupils	\$ 272,584.00	\$	\$ 272,584.00	\$ 272,584.00	\$
Park Maintenance	2,804.27	9,335.25	12,139.52	3,974.81	8,164.71
Municipal Services Reimbursements: Condominiums	38,883.03		38,883.03	36,362.70	2,520.33
Public Buildings and Grounds	3,638.34	40,458.77	44,097.11	27,618.00	16,479.11
Director's Office	50.00	335.00	385.00	33.00	352.00
Division of Health	1,962.55	1,993.59	3,956.14	1,556.67	2,399.47
Administration of Public Assistance	100.00		100.00		100.00
Environmental Commission	140.00		140.00		140.00
Senior Citizen Services	5,882.23	4,175.96	10,058.19	8,840.43	1,217.76
Division of Recreation and Parks	14,126.36	21,594.55	35,720.91	23,204.55	12,516.36
Branch Library	17,756.10	13,453.48	31,209.58	20,466.85	10,740.73
Green Brook Flood Control	1,111.91		1,111.91		1,111.91
Construction Code Official	63,402.62	8,118.52	23,188.53	5,996.87	17,191.66
Street Lighting	184,475.49		184,475.49	173,636.70	10,838.79
Telephone Service	92,825.28	500.00	98,325.28	7,746.98	90,578.30
Central Office Supply	15.66	3,070.95	3,086.61	2,891.21	195.40
Utilities	51,868.88	43,958.72	114,327.60	75,969.51	38,358.09
Postage	6,086.82	207.00	8,293.82	207.00	8,086.82
Salary Adjustments	14,500.00		11,549.14		11,549.14
Contingent	5,000.00		5,000.00		5,000.00
Social Security System (O.A.S.I.)	3,751.80		22,084.41		22,084.41
Pension Firemen's Widow	583.34		583.34		583.34
Defined Contribution Retirement Plan (DCRP)	912.83		912.83		912.83
Unemployment Compensation Insurance	154,896.80		157,396.80	16,000.00	141,396.80
Length of Service Awards Program	1.12	1,210.48	1,211.60	1,210.48	1.12
Branch Library	6,335.27	300.00	6,635.27	5,488.58	1,146.69
Employee Group Insurance	46,409.24		46,409.24	44,795.70	1,613.54
Social Security System	933.41		933.41		933.41
Supplemental Fire Services Program		3,439.00	3,439.00	3,439.00	
<u>CAPITAL IMPROVEMENTS</u>					
Finance - Computer Equipment	149.86	1,066.99	1,216.85	767.00	449.85
	\$ 1,540,478.95	\$ 645,074.63	\$ 2,185,553.58	\$ 1,431,600.91	\$ 753,952.67
REF.	A	A-11			A-1
Disbursements	A-4			\$ 1,354,623.47	
Reserve for Accounts Payable	A-11			76,977.44	
				\$ 1,431,600.91	

"A-15"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	684,495.43
Increased by:			
2012 Taxes Pending Appeal	A-2		<u>200,000.00</u>
		\$	884,495.43
Decreased by:			
Disbursements	A-4	\$	86,538.40
Applied to Overpayments	A-17		<u>58,526.03</u>
			<u>145,064.43</u>
Balance, December 31, 2012	A	\$	<u><u>739,431.00</u></u>

"A-16"

SCHEDULE OF RESERVE FOR CONSTRUCTION CODE DCA - DUE STATE OF N.J.

Balance, December 31, 2011	A	\$	27,488.00
Increased by:			
Receipts	A-4		<u>111,629.00</u>
		\$	139,117.00
Decreased by:			
Disbursements	A-4		<u>122,721.00</u>
Balance, December 31, 2012	A	\$	<u><u>16,396.00</u></u>

"A-17"

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2011	A		\$ 434,332.24
Increased by:			
Overpayments in 2012	A-4	\$ 96,223.87	
Overpayments from Appeals	A-15	<u>58,526.03</u>	
			<u>154,749.90</u>
			\$ <u>589,082.14</u>
Decreased by:			
Refunded	A-4	\$ 227,747.69	
Canceled		214,532.95	
Applied to Taxes	A-8	7,493.16	
Applied to Sewer	A-12	738.04	
Applied to Prepaid Taxes	A-18	<u>788.87</u>	
			<u>451,300.71</u>
Balance, December 31, 2012	A		\$ <u><u>137,781.43</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2011	A		\$ 1,009,587.52
Increased by:			
Collection of 2013 Taxes	A-4	\$ 1,097,337.89	
Overpayments Applied	A-17	<u>788.87</u>	
			<u>1,098,126.76</u>
			\$ <u>2,107,714.28</u>
Decreased by:			
Applied to 2012 Taxes	A-8		<u>1,009,587.52</u>
Balance, December 31, 2012	A		\$ <u><u>1,098,126.76</u></u>

"A-19"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	56,844.65
Increased by:			
Receipts	A-4		<u>9,416.38</u>
		\$	66,261.03
Decreased by:			
Applied to Revenue	A-2		<u>50,000.00</u>
Balance, December 31, 2012	A	\$	<u>16,261.03</u>

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2011	A	\$	133,197.09
Increased by:			
2012 Levy		\$	33,268,830.94
Added Taxes			<u>63,205.00</u>
	A-1:A-8		<u>33,332,035.94</u>
		\$	33,465,233.03
Decreased by:			
Payments	A-4		<u>33,402,028.03</u>
Balance, December 31, 2012	A	\$	<u>63,205.00</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

REF.

Increased by:			
School Levy	A-1:A-8	\$	111,787,443.35
Decreased by:			
Payments	A-4	\$	<u>111,787,443.35</u>

SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE

Increased by:			
2012 Special District Tax Levy	A-1:A-8	\$	2,244,354.00
Decreased by:			
Payments	A-4	\$	<u>2,244,354.00</u>

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2011	2012 BUDGET APPROPRIATION	EXPENDED	BALANCE DECEMBER 31, 2012
Public Health Priority Fund	\$ 3,428.10	\$	\$ 3,428.10	\$
Drunk Driving Enforcement Fund	2,137.38	16,882.88	16,108.59	2,911.67
Over the Limit Under Arrest	4,050.00	9,400.00	8,700.00	4,750.00
Clean Communities Program	58,144.00	74,559.24	83,740.20	48,963.04
Municipal Alliance Program	117.87	39,673.00	39,673.00	117.87
Municipal Alliance Program Match		9,918.00	9,528.41	389.59
Alcohol Education Rehabilitation	10,016.37	4,532.90	10,500.00	4,049.27
Body Armor Replacement Fund	5,704.95	13,610.08	3,998.50	15,316.53
Hazard Mitigation Grant	9,914.00			9,914.00
Safe and Secure Communities		60,000.00	60,000.00	
Safe and Secure Communities & Match		110,871.00	110,871.00	
Recycling Tonnage Program	9,020.90	60,910.61	60,000.00	9,931.51
Somerset County Youth Services Commission	180.36	10,000.00	6,912.28	3,268.08
SC Youth Athletic and Recreational Facility	14,976.92			14,976.92
CDBG - Youth Development Program	2,142.95	5,722.00	6,655.24	1,209.71
Office of Emergency Management	28,396.60	5,000.00	3,459.12	29,937.48
Aggressive Driving		8,000.00	8,000.00	
Federal Bulletproof Vest Program	12,256.08	2,317.50	3,998.50	10,575.08
Target Public Safety Grant		2,000.00	2,000.00	
Challenge Grant - FINDERNE	21,700.00			21,700.00
Regional Center Partnership - Pearl Street and Jamestown Road	12,250.00			12,250.00
Regional Center Partnership - Peters Brook	13,845.00		8,000.00	5,845.00
Regional Center Partnership - Challenge Grant		20,000.00	20,000.00	
Stormwater Regulation	4,798.00			4,798.00
Child Passenger Safety Grant	4,007.50		3,754.98	252.52
Buffer Zone Protection Program		31,000.00	30,936.96	63.04
SC Youth Services Commission		33.75		33.75
Energy Efficiency and Conservation Strategy	54,982.59		54,982.59	
Tobacco Age of Sale Grant	2,460.00			2,460.00
Swine Flu (H1N1)	11,660.74			11,660.74
Hepatitis B Inoculation Fund	1,112.07			1,112.07
Homeland Security - County	266,954.00		266,251.81	702.19
NJ DOT - Highway Safety Fund - Safe Corridor	440.24	100,131.75	38,457.83	62,114.16
NJ DOT - Crim Road	45,339.68			45,339.68
NJ DOT - Country Club Road - Phase II	10,977.42			10,977.42
NJ DOT - Repaving US Route 22	116,935.55		6,320.26	110,615.29
NJ DOT - Country Club Road - Phase III		140,000.00		140,000.00
	<u>\$ 727,949.27</u>	<u>\$ 724,562.71</u>	<u>\$ 866,277.37</u>	<u>\$ 586,234.61</u>
REF.	A			A
Grants Appropriated	A-3	\$ 603,773.71		
Matching Funds for Grants	A-4	<u>120,789.00</u>		
		<u>\$ 724,562.71</u>		
Disbursements	A-4		\$ 1,055,910.28	
Accounts Payable	A-11		<u>161,252.94</u>	
			\$ 1,217,163.22	
Less: Transferred from Accounts Payable	A-11		<u>350,885.85</u>	
			<u>\$ 866,277.37</u>	

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2011	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2012
Drunk Driving Enforcement Fund	\$ 19,141.77	\$ 19,141.77	\$ 19,141.77	\$ 19,141.77
Recycling Tonnage Grant	60,910.61	84,630.70	60,910.61	84,630.70
Body Armor	6,805.35		6,805.35	
	<u>\$ 67,715.96</u>	<u>\$ 103,772.47</u>	<u>\$ 67,715.96</u>	<u>\$ 103,772.47</u>
<u>REF.</u>	A	A-4	A-25	A

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2011	BUDGET REVENUE	RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2012
	\$ 291,104.00	\$	\$	\$	\$ 288,104.00
Homeland Security - County		16,882.88	33,000.00		
Drunk Driving Enforcement Fund		4,532.90	16,882.88		
Alcohol Education Rehabilitation Fund		5,000.00	4,532.90		
Over the Limit Under Arrest	675.00	4,000.00	4,500.00		1,175.00
Drive Sober or Get Pulled Over		4,400.00	4,150.00		250.00
Clean Communities Program		74,559.24	74,559.24		
Municipal Alliance Program		39,673.00	49,198.67		
Body Armor Replacement Fund	17,308.68	13,610.08	6,804.73		7,763.01
Federal Bulletproof Vest Partnership		2,317.50	7,506.00	6,805.35	
Recycling Tonnage Grant	9,917.00	60,910.61		60,910.61	4,728.50
Office of Emergency Management	10,000.00	5,000.00	10,000.00		5,000.00
Hazard Mitigation Grant	13,881.73				13,881.73
Aggressive Driver Enforcement Program		8,000.00	8,000.00		
Target Public Safety Grant		2,000.00	2,000.00		
Safe and Secure Communities	30,000.00	60,000.00	60,000.00		30,000.00
Regional Center Partnership - Challenge Grant	10,000.00	20,000.00			30,000.00
Youth Services Newcomer's Club		10,000.00	5,000.00		5,000.00
SC Youth Athletic & Recreation Facilities	4,756.31	33.75	33.75		4,756.31
County of Somerset Youth Services Commission					
Public Water Supply Contract					
School Based Partnership					
Energy Efficiency and Conservation Strategy Project	2,751.58				2,751.58
Swine Flu (H1N1)	3,379.00				3,379.00
Comprehensive Traffic Safety Program	182,200.00		117,067.41		65,132.59
NJ Division on Women	184.35				184.35
Buffer Zone Protection Program (Homeland Security)	113,607.75	100,131.75	112,449.93		101,289.57
CDBG - Youth Development Program	2,873.00				2,873.00
Child Passenger Safety Grant	5,111.00	31,000.00	8,678.29		31,000.00
NJ DOT - Municipal Aid Program - Country Club Road Phase II	4,207.50	5,722.00	3,749.98		2,154.71
N.J.DOT - Repaving U.S. Route 22	13,826.23				457.52
NJ DOT - Crim Road	145,076.66				13,826.23
NJ DOT - Brown Road	45,339.68				145,076.66
NJ DOT - Municipal Aid Program - Country Club Road Phase III	150,000.00	140,000.00			150,000.00
	\$ 1,056,199.47	\$ 603,773.71	\$ 528,113.78	\$ 67,715.96	\$ 1,064,143.44

REF.

A

A-2

A-4

A-24

A

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR STORM DAMAGE - FEMA

Balance, December 31, 2011	A	\$	82,023.16
Increased by:			
Receipts	A-4		<u>269,937.35</u>
		\$	351,960.51
Decreased by:			
Applied to Revenue	A-2		<u>81,000.00</u>
Balance, December 31, 2012	A	\$	<u><u>270,960.51</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, 2011	A	\$ 775.00
Increased by:		
Receipts	A-4	4,900.00
		\$ <u>5,675.00</u>
Decreased by:		
Paid to State	A-4	<u>4,825.00</u>
Balance, December 31, 2012	A	\$ <u><u>850.00</u></u>

"A-28"

SCHEDULE OF RESERVE FOR EMERGENCY NOTE PAYABLE

Balance, December 31, 2011	A	\$ 432,509.00
Increased by:		
Receipts	A-4	640,000.00
		\$ <u>1,072,509.00</u>
Decreased by:		
Disbursements	A-4	<u>432,509.00</u>
Balance, December 31, 2012	A	\$ <u><u>640,000.00</u></u>

"A-29"

TOWNSHIP OF BRIDGEWATER
GRANT FUND
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, December 31, 2011 (Due From)	A	\$ 1,492.31
Increased by:		
Disbursements	A-4	388,742.78
		<u>\$ 390,235.09</u>
Decreased by:		
Receipts	A-4	\$ 390,235.09
		<u><u>\$ 390,235.09</u></u>

"A-30"

SCHEDULE OF DUE OTHER TRUST FUND

Increased by:		
Receipts	A-4	\$ 270,473.73
		<u>\$ 270,473.73</u>
Balance, December 31, 2012 (Due To)	A	\$ 270,473.73
		<u><u>\$ 270,473.73</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR INSURANCE DAMAGE

	<u>REF.</u>	
Increased by:		
Receipts	A-4	\$ <u>16,471.23</u>
Balance, December 31, 2012	A	\$ <u><u>16,471.23</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	<u>REF.</u>		
Balance, December 31, 2011	A	\$	774,509.00
Increased by:			
2012 Appropriations			
N.J.S.A. 40A:4-54 Hurricane Sandy	A-1:A-3	\$	<u>640,000.00</u>
			1,414,509.00
Decreased by:			
Paid by Budget			
N.J.S.A. 40A:4-55 Police Cars - Flood		\$	26,400.00
N.J.S.A. 40A:4-46 Flood Damage and Litigation			560,000.00
N.J.S.A. 40A:4-48 In House Building and Electrical Inspections			<u>82,509.00</u>
	A-3	\$	<u>668,909.00</u>
Balance, December 31, 2012	A	\$	<u><u>745,600.00</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.	ASSESSMENT	ANIMAL CONTROL	OTHER
B	\$ 43,834.42	\$ 34,991.34	\$ 20,627,327.57
Balance, December 31, 2011			
Increased by Receipts:			
B-13	\$	\$ 13,887.20	\$
B-14		2,968.80	
B-12			11,617,225.28
B-11			49,531.98
B-8			97,004.40
B-18			15,717.64
B-17			44,731.33
	<u>\$ 43,834.42</u>	<u>\$ 16,856.00</u>	<u>\$ 11,824,210.63</u>
		\$ 51,847.34	\$ 32,451,538.20
Decreased by Disbursements:			
B-16:B-17	\$	\$ 7,653.74	\$ 94,646.73
B-14		2,974.20	
B-13		10,939.20	
B-15		1,286.00	
B-12			16,837,773.41
B-11			1,293,227.44
B-8			53,593.72
B-19			270,473.73
B-7			100.00
B-18			15,735.64
	<u>\$ 43,834.42</u>	<u>\$ 22,853.14</u>	<u>\$ 18,565,550.67</u>
B	\$	\$ 28,994.20	\$ 13,885,987.53
Balance, December 31, 2012			

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, 2011 AND 2012</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, 2011 AND 2012</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

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u> <u>AND 2012</u>
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>\$ 43,834.42</u>
<u>REF.</u>	B

"B-6"

SCHEDULE OF ASSESSMENT OVERPAYMENTS

Balance, December 31, 2011 and December 31, 2012	B	\$ <u>1,000.00</u>
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TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE GENERAL CAPITAL FUND - OPEN SPACE TRUST FUND

	<u>REF.</u>	
Balance, December 31, 2011 (Due To)	B	\$ 107.16
Decreased by:		
Disbursements	B-2	<u>100.00</u>
Balance, December 31, 2012 (Due To)	B	<u>\$ 7.16</u>

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

Balance, December 31, 2011	B	\$ 5,454.74
Increased by:		
Receipts	B-2	<u>97,004.40</u>
		\$ <u>102,459.14</u>
Decreased by:		
Disbursements	B-2	<u>53,593.72</u>
Balance, December 31, 2012	B	<u>\$ 48,865.42</u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - OTHER TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2011	B		\$ 1,978,566.94
Increased by:			
Accounts Payable - Open Space Trust	B-11	\$ 676,955.12	
Accounts Payable - Various Trust Deposits	B-12	<u>351,614.56</u>	
			<u>1,028,569.68</u>
			\$ <u>3,007,136.62</u>
Decreased by:			
Transfer to Open Space Trust	B-11	\$ 1,829,765.55	
Transfer to Various Trust Deposits	B-12	<u>148,801.39</u>	
			<u>1,978,566.94</u>
Balance, December 31, 2012	B		\$ <u><u>1,028,569.68</u></u>

"B-10"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

	<u>REF.</u>	
Balance, December 31, 2011 and December 31, 2012	B:B-10	\$ <u>495,754.52</u>

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2012</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, 2011	B		\$ 9,136,247.04
Increased by:			
Receipts	B-2	\$ 49,531.98	
Accounts Payable	B-9	<u>1,829,765.55</u>	
			<u>1,879,297.53</u>
			\$ <u>11,015,544.57</u>
Decreased by:			
Disbursements	B-2	\$ 1,293,227.44	
Accounts Payable	B-9	<u>676,955.12</u>	
			<u>1,970,182.56</u>
Balance, December 31, 2012	B		\$ <u><u>9,045,362.01</u></u>

"B-12"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>RECEIPTS</u>	<u>EXPENDITURES</u>	<u>BALANCE DECEMBER 31, 2012</u>
Escrow/Other Accounts	\$ 838,447.98	\$ 330,891.17	\$ 370,416.47	\$ 798,922.68
Public Defender	38,917.93	17,561.50	11,200.00	45,279.43
Police Offense Adjudication Act	4,393.00	130.00		4,523.00
Law Enforcement Trust	13,653.46	1,835.40	1,049.95	14,438.91
Fire Fines and Penalties	26,443.20	9,450.00	11,285.68	24,607.52
Fire Penalties Due Departments	9,100.00	2,450.00	2,100.00	9,450.00
Salary Settlements	28,088.03	150,000.00	176,625.16	1,462.87
COAH	5,199,693.70	683,003.21	5,387,447.13	495,249.78
Site Inspections	428,861.21	129,845.88	169,933.95	388,773.14
Performance Bonds	1,937,386.68	67,267.56	832,509.35	1,172,144.89
Professional Fees Escrow	554,296.28	267,918.77	320,204.30	502,010.75
Police Outside Overtime	145,630.61	753,854.76	698,334.84	201,150.53
Tax Premiums	392,600.00	765,900.00	630,200.00	528,300.00
Payroll Deductions Payable	224,211.12	7,689,005.26	7,610,838.93	302,377.45
Outside Lien Redemptions	148,201.66	801,346.72	805,426.99	144,121.39
Third Party Inspections	209,712.00	58,399.00	143,965.80	124,145.20
Maintenance Escrow	56,630.03	37,167.44	18,349.42	75,448.05
	<u>\$ 10,256,266.89</u>	<u>\$ 11,766,026.67</u>	<u>\$ 17,189,887.97</u>	<u>\$ 4,832,405.59</u>

REF.

B

B

Receipts
Accounts Payable

\$ 11,617,225.28
148,801.39

B-2
B-9

Disbursements
Accounts Payable
Canceled

\$ 16,837,773.41
351,614.56
500.00

B-2
B-9
B-17

\$ 17,189,887.97

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, 2011	B		\$ 26,049.20
Increased by:			
Cat License Fees Collected		\$ 672.00	
Dog License Fees Collected		12,100.20	
Late Fees		1,040.00	
Kennel/Pet Shop Licenses		<u>75.00</u>	
	B-2		<u>13,887.20</u>
			\$ <u>39,936.40</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-2	\$ 10,939.20	
Accounts Payable	B-15	593.00	
Excess Reserve for Expenditures Due Current Fund	B-16	<u>97.80</u>	
			<u>11,630.00</u>
Balance, December 31, 2012	B		\$ <u><u>28,306.40</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>		<u>AMOUNT</u>
2011	\$	14,402.00
2010		<u>13,904.40</u>
	\$	<u><u>28,306.40</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, 2011 (Due To)	B	\$	2.40
Increased by:			
State Registration Fees Collected	B-2		2,968.80
		\$	<u>2,971.20</u>
Decreased by:			
Paid to State Department of Health	B-2		<u>2,974.20</u>
Balance, December 31, 2012 (Due From)	B	\$	<u><u>3.00</u></u>

"B-15"

SCHEDULE OF ACCOUNTS PAYABLE - ANIMAL CONTROL TRUST FUND

Balance, December 31, 2011	B	\$	1,286.00
Increased by:			
Accounts Payable	B-13		593.00
		\$	<u>1,879.00</u>
Decreased by:			
Paid to State Department of Health	B-2		<u>1,286.00</u>
Balance, December 31, 2012	B	\$	<u><u>593.00</u></u>

"B-16"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2011 (Due To)	B	\$	7,653.74
Increased by:			
Excess Reserve for Animal Control Expenditures	B-13		<u>97.80</u>
		\$	<u>7,751.54</u>
Decreased by:			
Disbursements	B-2		<u>7,653.74</u>
Balance, December 31, 2012 (Due To)	B	\$	<u><u>97.80</u></u>

"B-17"

SCHEDULE OF DUE CURRENT FUND - OTHER TRUST FUND

Balance, December 31, 2011 (Due From)	B	\$	749,296.20
Increased by:			
Disbursements	B-2		<u>94,646.73</u>
		\$	<u>843,942.93</u>
Decreased by:			
Receipts	B-2	\$	44,731.33
Canceled	B-12		<u>500.00</u>
			<u>45,231.33</u>
Balance, December 31, 2012 (Due From)	B	\$	<u><u>798,711.60</u></u>

"B-18"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE UTILITY SEWER OPERATING FUND - OTHER TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2011 (Due From)	B	\$	19.00
Increased by:			
Disbursements	B-2		15,735.64
		\$	<u>15,754.64</u>
Decreased by:			
Receipts	B-2		15,717.64
Balance, December 31, 2012 (Due From)	B	\$	<u><u>37.00</u></u>

"B-19"

SCHEDULE OF DUE GRANT FUND - OTHER TRUST FUND

Increased by:			
Disbursements	B-2	\$	<u>270,473.73</u>
Balance, December 31, 2012 (Due From)	B	\$	<u><u>270,473.73</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2011	C		\$ 7,105,840.35
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-7	\$ 100,000.00	
Premium on Note	C-1	13,869.61	
Due COAH Trust Fund	C-19	100.00	
Due Sewer Utility Capital Fund	C-18	636,000.00	
Serial Bonds Payable	C-11	16,642,000.00	
Reserve for Capital Projects	C-4	<u>150,000.00</u>	
			<u>17,541,969.61</u>
			\$ 24,647,809.96
Decreased by Disbursements:			
Contracts Payable	C-16	\$ 3,196,796.25	
Due Sewer Utility Capital Fund	C-18	651,140.20	
Fund Balance-Utilized as Current Fund Revenue	C-1	130,000.00	
Reserve for Debt Service	C-14	133,154.00	
Bond Anticipation Notes	C-12	<u>15,839,354.00</u>	
			<u>19,950,444.45</u>
Balance, December 31, 2012	C		\$ <u>4,697,365.51</u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>
Capital Improvement Fund	\$ 105,068.30
Fund Balance	292,267.79
Due Open Space Trust Fund	(107.16)
Due COAH Trust Fund	100.00
Due Sewer Utility Operating Fund	(99.68)
Due Sewer Utility Capital Fund	(15,140.20)
Reserve for Capital Projects	1,756,354.75
Reserve for Debt Service	900.16
Contracts Payable	1,420,746.45
Funded Improvement Authorizations	5,529,440.39
Unfunded Improvements Expended (Listed on C-6)	<u>(4,392,165.29)</u>
	<u>\$ 4,697,365.51</u>

REF. C

"C-4"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 1,638,508.75
Increased by:		
Receipts	C-2	150,000.00
		<u>\$ 1,788,508.75</u>
Decreased by:		
Transfer of Reserve	C-14	32,154.00
		<u>32,154.00</u>
Balance, December 31, 2010	C	<u>\$ 1,756,354.75</u>

"C-5"

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2011	C		\$ 37,472,410.05
Increased by:			
Bond Sale	C-6	\$ 16,642,000.00	
Refunding Bond	C-11	<u>5,655,000.00</u>	
			<u>22,297,000.00</u>
			<u>\$ 59,769,410.05</u>
Decreased by:			
Improvement Authority Loans Paid by Budget	C-17	\$ 153,482.89	
Green Acres Loans Paid by Budget	C-15	121,307.45	
Infrastructure Loans Paid by Budget	C-13	51,988.88	
Bonds Paid by Budget	C-11	1,765,000.00	
Bonds Paid by Refunding Bonds	C-11	<u>5,755,000.00</u>	
			<u>7,846,779.22</u>
Balance, December 31, 2012	C		<u>\$ 51,922,630.83</u>

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2011		2012 AUTHORIZATION		DECREASED	BALANCE DECEMBER 31, 2012		ANALYSIS OF BALANCE, DECEMBER 31, 2012	
		\$	\$	\$	\$		\$	\$	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
02-07/03-22	Resurfacing and Reconstruction of Certain Roadways									
02-20/03-03	Various Improvements	61,200.00					61,200.00	61,200.00		
02-21	Amounts Owed to Others for Taxes Levied	72,812.45					72,812.45	72,812.45		
03-05	Revision of Township Codebook	0.90					0.90	0.90		
05-34	Road Improvements - Milltown Road	19,047.60					19,047.60	19,047.60		
05-35	Various Drainage Improvements	299,650.00					299,650.00	227,388.31		
05-48	Parks Improvements	197,435.00					197,435.00			72,261.69
05-50	Preparation of Master Drainage Plan	74,991.00					74,991.00			197,435.00
05-51	Drainage and Resurfacing - Carteret Road	118,000.00					118,000.00			15,173.75
06-13	Various Improvements	77,934.00					77,934.00			82,359.34
06-14	Various Road Improvements	193,701.00				193,701.00				77,934.00
06-15	Various Drainage Improvements	2,223,543.00				1,637,143.00				357,246.35
06-29	Various Park and Municipal Building Improvements	1,951,107.00				1,951,107.00				
06-30	Public Works Equipment	295,292.00				295,292.00				
07-02	Construction of Municipal Complex	248,942.00				248,942.00				
07-03	Road and Drainage Improvements	1,400,000.00								
07-04	Various Park Improvements	3,006,257.00				3,006,257.00				
07-05	Public Works Equipment	103,308.00				103,308.00				
08-03	Various Road and Drainage Improvements	190,400.00				190,400.00				
08-04	Public Works Equipment	3,405,750.00				3,405,750.00				
09-07	Various Improvements	251,750.00				251,750.00				
09-08	Public Works Equipment	1,673,140.00				1,673,140.00				
10-03	Various Improvements	226,860.00				226,860.00				
10-23	Various Improvements	3,247,000.00				3,247,000.00				
10-29	Public Works Equipment	198,075.00				198,075.00				
10-30	Reconstruction of Basketball and Tennis Courts at Harry Alley Park	55,955.00				55,955.00				
11-06	Various Improvements	142,500.00				142,500.00				
11-07	Various Improvements	154,615.00				154,615.00				
12-05	Various Public Works Equipment	1,976,000.00		228,000.00		1,976,000.00				
12-07	Various Road Improvements			2,664,750.00						
		<u>\$ 21,865,265.95</u>	<u>\$ 2,892,750.00</u>	<u>\$ 2,664,750.00</u>	<u>\$ 16,827,180.00</u>	<u>\$ 7,930,835.95</u>	<u>\$ 4,392,165.29</u>	<u>\$ 3,538,670.66</u>		

REF. C C-9 C C-3 C-9
 Bond Sale C-5
 Notes Paid By Budget C-12
\$ 16,827,180.00

"C-7"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 157,318.30
Increased by:		
2012 Budget Appropriation	C-2	100,000.00
		<u>\$ 257,318.30</u>
Decreased by:		
Appropriated to Finance Improvements	C-9	<u>152,250.00</u>
Balance, December 31, 2012	C	<u><u>\$ 105,068.30</u></u>

"C-8"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance, December 31, 2011 and December 31, 2012 (Due From)	C	<u><u>\$ 99.68</u></u>
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TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

	BALANCE - DECEMBER 31, 2011		2012		CONTRACTS PAYABLE CANCELED	BALANCE - DECEMBER 31, 2012	
	FUNDED	UNFUNDED	AUTHORIZATIONS	AUTHORIZATIONS		FUNDED	UNFUNDED
Ordinance							
92-30, 00-11, 01-08 General Road Improvement	\$ 13,777.99	\$	\$	\$	\$	\$	\$
01-18 Drainage Study and Improvement - Various Locations	5,446.81			5,446.81			
01-36 Crosswalks and Sidewalks - Various Locations	38,582.76						
03-20 Reconstruction of Oak Street	6,277.51			6,277.51			
04-12 Various Drainage Improvements	11,611.73			11,611.73			
04-13 Reconstruction of Northern Thomae Area Roads	39,226.11			39,226.11			
04-14 Reconstruction of Stella Drive Area	30,369.14						
04-18 Drainage Improvements at Hillside, Prospect, and Orchard Roads	17,665.64						
05-30 Various Drainage Improvements	185,048.87			196.48			
05-31 Road Improvements - Pearl Street and Sycamore Road	65,428.69						
05-32 Various Road and Drainage Improvements	9,626.05						
05-33 Various Road Improvements	56,833.98						
05-34 Road Improvements - Milltown Road	72,261.69						
05-35 Various Drainage Improvements	197,435.00						
05-36 Drainage Improvements - East Brook Area	24,843.76						
05-37 Various Drainage Improvements	34,004.09			15,750.00			
05-38 2005 Road Overlay Program	90,511.82						
05-39 2005 Chip and Seal Program	14,480.15						
05-48 Parks Improvements							
05-50 Preparation of Master Drainage Plan	15,173.75						
05-51 Drainage and Resurfacing - Carteret Road	110,439.34						
06-13 Various Improvements	77,934.00						
06-14 Various Road Improvements	19,145.23						
06-15 Various Drainage Projects	357,191.80						
06-29 Various Park and Municipal Building Improvements	633,407.63						
06-30 Public Works Equipment	19,401.54			580.15			
07-02 Construction of Municipal Complex	14,230.23						
07-03 Road and Drainage Improvements	218,500.77						
07-04 Various Park Improvements	587,659.50						
07-05 Public Works Equipment	6,082.75						
08-03 Various Road and Drainage Improvements	7,188.66						
08-04 Public Works Equipment	1,261,078.09						
09-07 Various Improvements	33,346.27						
09-08 Public Works Equipment	712,012.01						
10-03 Various Improvements	35,475.50						
10-23 Various Improvements	2,233,841.87						
10-29 Public Works Equipment	28,709.92						
11-06 Reconstruction of Basketball and Tennis Courts at Harry Alley Park	5,891.89			5,946.57			
11-07 Various Improvements	9,163.64						
12-05 Various Public Works Equipment	71,548.00						
12-07 Various Road Improvements	766,443.71						
	\$ 661,531.18	\$ 7,493,564.79	\$ 3,045,000.00	\$ 69,088.88	\$ 2,062,950.59	\$ 54.55	\$ 5,529,440.39
	C	C		C-1	C-16	C	C
			\$ 2,892,760.00				\$ 3,538,670.66
			152,250.00				C:C-6
			\$ 3,045,000.00				C:C-6

REF.

Deferred Charges To Future Taxation - Unfunded Capital Improvement Fund

C-6

C-7

"C-10"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE OPEN SPACE TRUST FUND

REF.

Balance December 31, 2011 and
December 31, 2012 (Due From)

C

\$ 107.16

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2012 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2011	INCREASED	DECREASED	BALANCE DECEMBER 31, 2012			
General Improvements	4/1/12	16,642,000.00	04/01/2013	510,000.00	2.000%							
			04/01/2014	515,000.00	2.000%							
			04/01/2015	525,000.00	2.000%							
			04/01/2016	550,000.00	2.000%							
			04/01/2017	575,000.00	2.000%							
			04/01/2018	585,000.00	2.000%							
			04/01/2019	625,000.00	2.000%							
			04/01/2020	750,000.00	2.500%							
			04/01/2021	895,000.00	3.000%							
			4/1/2022-2026	1,010,000.00	3.000%							
			04/01/2027	1,010,000.00	3.125%							
			4/1/2028-2029	1,010,000.00	3.250%							
			04/01/2030	1,010,000.00	3.375%							
04/01/2031	1,010,000.00	3.500%										
General Improvement Refunding Bonds	10/1/12	5,655,000.00	04/01/2032	1,012,000.00	3.500%		16,642,000.00		16,642,000.00			
			10/01/2014	640,000.00	3.000%							
			10/01/2015	635,000.00	3.000%							
			10/01/2016	630,000.00	3.000%							
			10/01/2017	625,000.00	3.000%							
			10/1/2018-2019	615,000.00	4.000%							
			10/1/2020-2021	610,000.00	4.000%							
			10/01/2022	600,000.00	4.000%							
									\$ 35,602,000.00	\$ 22,297,000.00	\$ 7,520,000.00	\$ 5,580,000.00
									C			C
Bonds Issued Refunding Bonds						\$ 16,642,000.00						
						5,655,000.00						
2012 Budget Appropriation to Pay Bonds							\$ 1,765,000.00					
Bonds Paid by Refunding Bonds							5,755,000.00					
						\$ 22,297,000.00			\$ 7,520,000.00			
REF.												
C-2												
C-5												
C-5												
C-5												

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, 2011	DECREASED
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	08/10/11	04/19/12	1.50%	473,504.00	473,504.00
08-03	Various Road and Drainage Improvements	08/30/07	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
						\$ 16,024,534.00	\$ 16,024,534.00

REF. C

C-2
C-6

Disbursements
Note paid by budget

\$ 15,839,354.00
185,180.00

\$ 16,024,534.00

"C-13"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR INFRASTRUCTURE LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 593,034.53
Decreased by:		
Payment on Loan	C-5	<u>51,988.88</u>
Balance, December 31, 2012	C	<u>\$ 541,045.65</u>

"C-14"

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

Balance, December 31, 2011	C	\$ 101,900.16
Increased by:		
Transfer of Reserve	C-4	<u>32,154.00</u>
		\$ <u>134,054.16</u>
Decreased by:		
Disbursements	C-2	<u>133,154.00</u>
Balance, December 31, 2012	C	<u>\$ 900.16</u>

"C-15"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 924,141.08
Decreased by:		
Payment on Loans	C-5	<u>121,307.45</u>
Balance, December 31, 2012	C	<u>\$ 802,833.63</u>

"C-16"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Balance, December 31, 2011	C	\$ 2,554,646.66
Increased by:		
Charges to Improvement Authorizations	C-9	<u>2,062,950.59</u>
		\$ <u>4,617,597.25</u>
Decreased by:		
Disbursements	C-2	\$ 3,196,796.25
Canceled - Improvement Authorizations	C-9	<u>54.55</u>
		<u>3,196,850.80</u>
Balance, December 31, 2012	C	<u>\$ 1,420,746.45</u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2011	C	\$ 353,234.44
Decreased by:		
Payment on Loans	C-5	<u>153,482.89</u>
Balance, December 31, 2012	C	<u>\$ 199,751.55</u>

"C-18"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Disbursements	C-2	\$ 651,140.20
Decreased by:		
Receipts	C-2	<u>636,000.00</u>
Balance, December 31, 2012 (Due From)	C	\$ <u><u>15,140.20</u></u>

"C-19"

SCHEDULE OF DUE COAH TRUST FUND

Increased by:		
Receipts	C-2	\$ <u>100.00</u>
Balance, December 31, 2012 (Due To)	C	\$ <u><u>100.00</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, 2012</u>
02-07:03-22	Resurfacing and 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
07-02	Construction of Municipal Complex	1,400,000.00
11-06	Various Improvements	154,615.00
11-07	Various Improvements	1,976,000.00
12-05	Various Public Works Equipment	228,000.00
12-07	Various Road Improvements	2,664,750.00
		<hr/>
		\$ <u>7,930,835.75</u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	REF.	OPERATING	ASSESSMENT TRUST	CAPITAL
Balance, December 31, 2011	D	\$ 6,646,778.40	\$ 11,438.96	\$ 251,987.59
Increased by Receipts:				
Sewer Charges Receivable	D-14	\$ 9,876,738.15	\$	\$
Miscellaneous Revenue Not Anticipated	D-1:D-4	175,141.64		
Interfunds	D-11:D-32	2,989,160.50		15,140.20
Sewer Connection Charges Receivable	D-13	39,256.71		
Sewer Overpayments	D-22	23,089.84		
Interest on Investments and Deposits	D-1:D-4	6,324.49		
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	5,200.41		
Deferred Charges	D-36	23,000.00		
Budget Appropriations:				
Capital Improvement Fund	D-28			2,075,000.00
Serial Bonds Payable	D-30			636,000.00
Environmental Infrastructure Loan Receivable	D-33			58,330.00
		\$ 13,231,262.08	\$	\$ 2,784,470.20
		\$ 19,878,040.48	\$ 11,438.96	\$ 3,036,457.79
Decreased by Disbursements:				
2012 Budget Appropriations	D-5	\$ 10,654,389.64	\$	\$
2011 Appropriation Reserves	D-20	1,531,662.47		
Interfunds	D-11	3,015,717.64		
Sewer Overpayments	D-22	39,851.72		
Accrued Interest on Bonds	D-12	46,966.88		
Accounts Payable	D-19	520.97		
Contracts Payable	D-26			363,639.52
Refund of Prior Year Revenue	D-1	1,058.57		
		\$ 15,290,167.89	\$	\$ 363,639.52
Balance, December 31, 2012	D:D-7:D-8	\$ 4,587,872.59	\$ 11,438.96	\$ 2,672,818.27

"D-7"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF ASSESSMENT FUND CASH

		BALANCE DECEMBER <u>31, 2012</u>
Fund Balance		\$ 11,392.66
Due Sewer Operating Fund		<u>46.30</u>
		<u>\$ 11,438.96</u>
	<u>REF.</u>	D:D-6

"D-8"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

BALANCE
DECEMBER
31, 2012

SEWER:

Fund Balance	\$	71,750.34
Contract Payable		888,372.03
Environmental Infrastructure Trust Loan Receivable		(30,347.00)
Interfunds Payable		15,140.20
Improvement Authorizations - Funded:		
Ord. # 01-19/04-01 Design and Upgrade to Gilbride Pump Station		69,894.44
Ord. # 01-34 Infiltration and Inflow Program in Finderne Section		89,825.93
Ord. # 09-10 Improvements to Sanitary Sewer System		644,267.14
Ord. # 12-06 Various Sewer Utility Improvements		924,296.06
Authorized but not Issued		(1,822.87)
Unfunded Improvements Expended		<u>1,442.00</u>
	\$	<u><u>2,672,818.27</u></u>

REF.

D:D-6

"D-9"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2011
and December 31, 2012

D

\$ 100.00

"D-10"

SCHEDULE OF AMOUNT DUE WARREN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Balance, December 31, 2011
and December 31, 2012

D

\$ 24,188.06

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SEWER ASSESSMENT TRUST FUND</u>	<u>TRUST FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2011						
Due To	D	\$ 26,726.50	\$	\$ 19.00	\$ 99.68	\$ 26,607.82
Due From	D	46.30	46.30			
Receipts	D-6	\$ 2,989,160.50	\$	\$ 15,735.64	\$	\$ 2,973,424.86
Disbursements	D-6	3,015,717.64		15,717.64		3,000,000.00
Tax Overpayment Applied	D-14	738.04				738.04
Balance, December 31, 2012						
Due To	D	\$ 136.68	\$	\$ 37.00	\$ 99.68	\$
Due From	D	751.66	46.30			705.36

"D-12"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

	<u>REF.</u>	
Balance, December 31, 2011	D	\$ 34,151.32
Increased by:		
Budget Appropriation Charges	D-5	54,335.85
		<u>\$ 88,487.17</u>
Decreased by:		
Interest Paid	D-6	46,966.88
		<u>46,966.88</u>
Balance, December 31, 2012	D	<u><u>\$ 41,520.29</u></u>

"D-13"

SCHEDULE OF CONNECTION CHARGES RECEIVABLE

Balance, December 31, 2011 (Overpayment)	D	\$ 550.00
Increased by:		
Charges Levied	D-1:D-4	39,256.71
		<u>\$ 39,806.71</u>
Decreased by:		
Collections	D-6	39,256.71
		<u>39,256.71</u>
Balance, December 31, 2012 (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, 2011	D		\$ 599,988.06
Increased by:			
Sewer Charges Levied (Net)			<u>9,853,522.93</u>
			\$ <u>10,453,510.99</u>
Decreased By:			
Collections	D-6	\$ 9,876,738.15	
Prepaid Applied	D-27	8,476.00	
Sewer Overpayments Applied	D-22	303.56	
Tax Overpayments Applied	D-11	738.04	
Canceled		<u>110,954.21</u>	
			<u>9,997,209.96</u>
Balance, December 31, 2012	D		\$ <u><u>456,301.03</u></u>

"D-15"

SCHEDULE OF RESERVE FOR ASSESSMENTS AND LIENS

Balance, December 31, 2011 and December 31, 2012	D		\$ <u><u>995,438.44</u></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, 2011</u>	<u>INCREASED BY</u>	<u>BALANCE DECEMBER 31, 2012</u>
01-19:04-01	Design and Upgrade to Gilbride Pump Station	06/18/01	\$ 1,264,500.00	\$	\$ 1,264,500.00
01-34	Infiltration and Inflow Program in Finderne Section	11/19/01	100,000.00		100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	120,000.00		120,000.00
06-12	Pick-Up Truck w/Snow Plow	04/03/06	50,000.00		50,000.00
09-10	Improvements to the Sanitary Sewer System	06/15/09	1,300,000.00		1,300,000.00
12-06	Various Sewer Utility Improvements	06/18/12		2,075,000.00	2,075,000.00
			<u>\$ 2,834,500.00</u>	<u>\$ 2,075,000.00</u>	<u>\$ 4,909,500.00</u>
		<u>REF.</u>	D	D-24	D

"D-17"

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2011 AND 2012</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	8,588,727.14
	<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, 2011 AND 2012</u>	<u>BALANCE PLEGDED 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

"D-19"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2011	D		\$ 803,199.00
Increased by:			
2012 Appropriations	D-5	\$ 103,733.45	
2011 Appropriation Reserves	D-20	<u>30,757.24</u>	
			\$ <u>134,490.69</u>
Decreased by:			
Disbursements	D-6	\$ 520.97	
Accounts Payable Canceled	D-1	7,158.82	
2011 Appropriation Reserves	D-20	<u>795,519.21</u>	
			\$ <u>803,199.00</u>
Balance, December 31, 2012	D		\$ <u><u>134,490.69</u></u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2011	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 75,769.32	\$ 75,769.32	\$ 4,985.34	\$ 70,783.98
Other Expenses	356,210.10	1,151,729.31	717,567.85	434,161.46
Somerset Raritan Valley Sewerage Authority	1,009,076.08	1,009,076.08	839,866.52	169,209.56
Statutory Expenditures:				
Contribution to Social Security System	1,532.49	1,532.49		1,532.49
Unemployment Compensation Insurance	30,000.00	30,000.00		30,000.00
	<u>\$ 1,472,587.99</u>	<u>\$ 2,268,107.20</u>	<u>\$ 1,562,419.71</u>	<u>\$ 705,687.49</u>
	D			D-1
Balance, December 31, 2011		\$ 1,472,587.99		
Transfer of Accounts Payable		795,519.21		
		<u>\$ 2,268,107.20</u>		
Disbursements			\$ 1,531,662.47	
Accounts Payable			<u>30,757.24</u>	
			<u>\$ 1,562,419.71</u>	

"D-21"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2011 AND 2012</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, 2011	D		\$ 57,881.55
Increased by:			
Receipts	D-6		<u>23,089.84</u>
			\$ <u>80,971.39</u>
Decreased by:			
Overpayments Applied	D-14	\$ 303.56	
Overpayments Canceled	D-1	186.17	
Refunded	D-6	<u>39,851.72</u>	
			<u>40,341.45</u>
Balance, December 31, 2012	D		\$ <u><u>40,629.94</u></u>

"D-23"

SEWER ASSESSMENT TRUST FUND

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance December 31, 2011 and December 31, 2012 (Due To)	D		\$ <u><u>46.30</u></u>
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TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	BALANCE DECEMBER 31, 2011	<u>INCREASED</u>	BALANCE DECEMBER 31, 2012
01-19:04-01	Design and Upgrade to Gilbride Pump Station	06/18/01	\$ 1,236,450.00	\$	\$ 1,236,450.00
01-34	Infiltration and Inflow Program in Finderne Section	11/19/01	100,000.00		100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	120,000.00		120,000.00
12-06	Various Sewer Utility Improvements	06/18/12		2,075,000.00	2,075,000.00
			<u>\$ 1,456,450.00</u>	<u>\$ 2,075,000.00</u>	<u>\$ 3,531,450.00</u>
		<u>REF.</u>	D	D-16	D

"D-25"

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2011	D		\$ 13,609,269.93
Increased by:			
EIT Loan Payable Paid by Operating Budget	D-31	\$ 32,398.28	
Serial Bonds Paid by Operating Budget	D-30	100,000.00	
Bonds Paid by Refunding Bonds	D-30	<u>416,000.00</u>	
			548,398.28
			<u>\$ 14,157,668.21</u>
Decreased by:			
Refunding Bonds	D-30		<u>415,000.00</u>
Balance, December 31, 2012	D		<u>\$ 13,742,668.21</u>

"D-26"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2011	D		\$ 131,138.58
Increased by:			
Charges to Improvement Authorizations	D-29		<u>1,150,864.31</u>
			<u>\$ 1,282,002.89</u>
Decreased by:			
Disbursements	D-6	\$ 363,639.52	
Contracts Payable Canceled	D-29	<u>29,991.34</u>	
			<u>393,630.86</u>
Balance, December 31, 2012	D		<u>\$ 888,372.03</u>

"D-27"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PREPAID SEWER CHARGES

	<u>REF.</u>	
Balance, December 31, 2011	D	\$ 8,476.00
Increased by:		
Receipts	D-6	5,200.41
		<u>\$ 13,676.41</u>
Decreased by:		
Prepaid Applied	D-14	8,476.00
Balance, December 31, 2012	D	<u>\$ 5,200.41</u>

"D-28"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Increased by:		
Current Budget Appropriation	D-6	\$ 2,075,000.00
Decreased by:		
Appropriated to Finance Improvements	D-29	<u>\$ 2,075,000.00</u>

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND

SCHEDULE OF SEWER SERIAL BONDS PAYABLE

DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2012
		DATE	AMOUNT			
10/01/03	\$ 901,000.00	10/01/2013	\$ 60,000.00	3.50%	\$ 536,000.00	\$ 60,000.00
7/15/07	508,000.00	7/15/2013-2018	35,000.00	4.125%		476,000.00
		7/15/2019-2022	37,000.00	4.125%		
4/1/12	636,000.00	04/01/2013	530,000.00	2.000%	393,000.00	358,000.00
		04/01/2014	540,000.00	2.000%		
		04/01/2015	550,000.00	2.000%		
		04/01/2016	575,000.00	2.000%		
		04/01/2017	600,000.00	2.000%		
		04/01/2018	610,000.00	2.000%		
		04/01/2019	650,000.00	2.000%		
		04/01/2020	775,000.00	2.500%		
		04/01/2021	920,000.00	3.000%		
		04/01/2022	1,035,000.00	3.000%		
		04/01/2023	1,045,000.00	3.000%		
		4/1/2024-2026	1,050,000.00	3.000%		
		04/01/2027	1,050,000.00	3.125%		
		4/1/2028-2029	1,050,000.00	3.250%		
		04/01/2030	1,050,000.00	3.375%		
		04/01/2031	1,050,000.00	3.500%		
		04/01/2032	1,048,000.00	3.500%		
10/1/12	415,000.00	10/1/2014-2017	60,000.00	3.000%		636,000.00
		10/01/2018	60,000.00	4.000%		
		10/1/2019-2020	55,000.00	4.000%		
					\$ 929,000.00	\$ 410,000.00
						5,000.00
					\$ 1,051,000.00	\$ 1,464,000.00

REF.

Bonds Issued Refunding Bonds

D-6
D-25

\$ 636,000.00
415,000.00

2012 Budget Appropriation to Pay Bonds
Bonds Paid by Refunding Bonds

D-25
D-25

\$ 100,000.00
416,000.00

\$ 516,000.00

D

D

"D-31"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2011	D	\$ 663,169.20
Decreased by:		
Loans Paid by Budget	D-25	<u>32,398.28</u>
Balance, December 31, 2012	D	<u>\$ 630,770.92</u>

"D-32"

SCHEDULE OF DUE GENERAL CAPITAL FUND

Increased by:		
Receipts	D-6	\$ <u>15,140.20</u>
Balance, December 31, 2012 (Due To)	D	<u>\$ 15,140.20</u>

"D-33"

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST RECEIVABLE

Balance, December 31, 2011	D	\$ 88,677.00
Decreased by:		
Receipts	D-6	<u>58,330.00</u>
Balance, December 31, 2012	D	<u>\$ 30,347.00</u>

"D-34"

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY FUND
SCHEDULE OF ACCRUED INTEREST ON LOANS

	<u>REF.</u>	
Balance, December 31, 2011 and December 31, 2012	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, 2012</u>
	Sewer Utility Capital Fund:	
98-11	Purchase of Equipment	\$ 380.87
01-19:04-01	Design and Upgrade to Gilbride Pump Station	1,275.00
06-12	Pick-Up Truck w / Snow Plow	167.00
09-10	Improvements to the Sanitary Sewer System	<u>1,822.87</u>
		\$ <u>3,645.74</u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF DEFERRED CHARGES

	<u>REF.</u>	
Balance, December 31, 2011	D	\$ 23,000.00
Decreased by:		
Receipts	D-6	\$ <u>23,000.00</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, 2011	E	\$ 6,363.47	\$ 151,562.59
Increased by Receipts:			
State Aid for Public Assistance and Other Receipts		400.00	313,830.86
Intra-Fund		<u>400.00</u>	<u>1,790.40</u>
		\$ 6,763.47	\$ 467,183.85
Decreased by Disbursements:			
Reserve For:			
Public Assistance		\$ 1,330.51	\$ 409,295.43
Intra-Fund		<u>1,790.40</u>	<u>409,295.43</u>
		<u>3,120.91</u>	<u>409,295.43</u>
Balance, December 31, 2012	E	<u>\$ 3,642.56</u>	<u>\$ 57,888.42</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, 2012	\$ 61,530.98
Increased by:	
Receipts	30,771.47
	<u>\$ 92,302.45</u>
Decreased by:	
Disbursements	<u>59,464.43</u>
Balance, February 28, 2013	<u><u>\$ 32,838.02</u></u>

RECONCILIATION - FEBRUARY 28, 2013	<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	\$ 2,198.79	\$	\$ 2,198.79
PNC Bank:			
Account #80-3235-8177		17,833.46	17,833.46
Account #81-0395-2342	1,443.77		1,443.77
	<u>\$ 3,642.56</u>	<u>\$ 17,833.46</u>	<u>\$ 21,476.02</u>
Add: Deposits in Transit (including prepayments)		30,676.00	30,676.00
Less: Outstanding Checks		<u>(19,314.00)</u>	<u>(19,314.00)</u>
Balance, February 28, 2013	<u><u>\$ 3,642.56</u></u>	<u><u>\$ 29,195.46</u></u>	<u><u>\$ 32,838.02</u></u>

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION AS OF DECEMBER 31, 2012

Balance, December 31, 2011	\$ 157,926.06
Increased by:	
Receipts	316,021.26
	<u>\$ 473,947.32</u>
Decreased by:	
Disbursements	412,416.34
Balance, December 31, 2012	<u>\$ 61,530.98</u>

RECONCILIATION - DECEMBER 31, 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	\$ 2,198.79	\$	\$ 2,198.79
PNC Bank:			
Account #80-3235-8177		11,930.42	11,930.42
Account #81-0395-2342	1,443.77		1,443.77
	<u>\$ 3,642.56</u>	<u>\$ 11,930.42</u>	<u>\$ 15,572.98</u>
Add: Deposit in Transit (including prepayments)		64,097.00	64,097.00
Less: Outstanding Checks (Per List on File)		<u>(18,139.00)</u>	<u>(18,139.00)</u>
Balance, December 31, 2012	<u>\$ 3,642.56</u>	<u>\$ 57,888.42</u>	<u>\$ 61,530.98</u>

TOWNSHIP OF BRIDGEWATER
PUBLIC ASSISTANCE TRUST FUND
 SCHEDULE OF PUBLIC ASSISTANCE REVENUES
YEAR ENDED DECEMBER 31, 2012

	<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	\$	\$ 303,500.00	\$ 303,500.00
Supplemental Security Income:			
State/Municipal Refund		9,477.92	9,477.92
Interest and Other	<u>400.00</u>	<u>852.94</u>	<u>1,252.94</u>
<u>TOTAL REVENUES (P.A.T.F.)</u>	<u>\$ 400.00</u>	<u>\$ 313,830.86</u>	<u>\$ 314,230.86</u>

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES
YEAR ENDED DECEMBER 31, 2012

Current Year Assistance (Reported):			
Maintenance Payments		\$ 168,723.28	\$ 168,723.28
Other:			
Temporary Rental Assistance		210,638.05	210,638.05
Emergency Assistance		26,210.63	26,210.63
Transportation		351.00	351.00
Other		<u>3,372.47</u>	<u>3,372.47</u>
<u>Total Reported</u>		<u>\$ 409,295.43</u>	<u>\$ 409,295.43</u>
Ineligible Assistance	<u>\$ 1,330.51</u>		<u>1,330.51</u>
<u>TOTAL DISBURSEMENTS (P.A.T.F.)</u>	<u>\$ 1,330.51</u>	<u>\$ 409,295.43</u>	<u>\$ 410,625.94</u>

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 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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**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, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements 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, the regulatory financial statements of the various individual funds and the account group of the Township of Bridgewater, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated May 30, 2013. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Bridgewater prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 30, 2013



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

Report on Compliance for Each Major State Program

We have audited the Township of Bridgewater's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Township of Bridgewater's major state programs for the year ended December 31, 2012. The Township's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Township of Bridgewater's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and New Jersey OMB 04-04. Those standards and NJ OMB 04-04 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 on compliance for each major state program. However, our audit does not provide a legal determination of the Township of Bridgewater's compliance.

SUPLEE, CLOONEY & COMPANY

Opinion on Each Major State Program

In our opinion, the Township of Bridgewater complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the Township of Bridgewater is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township of Bridgewater's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with NJ OMB 04-04, 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 of Bridgewater'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 state program on a timely basis. *A material weakness in internal control 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of State of New Jersey OMB 04-04. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 30, 2013

TOWNSHIP OF BRIDGEWATER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

FEDERAL C.F.D.A. NUMBER	GRANTOR'S NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD FROM TO	2012 RECEIPTS	2012 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2012
14.218	06-Y0601	\$ 7,776.00	9/1/09	\$ 5,111.00	\$ 2,142.95	\$ 7,776.00
14.218	11-Y0611	5,722.00	9/1/11	3,567.29	4,512.29	4,512.29
				<u>8,678.29</u>	<u>6,655.24</u>	<u>7,776.00</u>
16.607		10,143.00	Continuous	\$ 7,506.00	\$ 3,988.50	4,585.42
16.607		2,700.00	Continuous			
16.607		2,317.50	Continuous			
16.710	99-SBWX-0041	51,271.00	8/1/99	7,506.00	3,988.50	51,271.00
				<u>7,506.00</u>	<u>3,988.50</u>	<u>55,856.42</u>
20.600	PT-12-03-02-08	8,000.00	10/1/11	8,000.00	8,000.00	8,000.00
20.601	AL11-10-04-68	5,000.00	12/6/10			2,725.00
20.601	AL11-10-04-228	4,400.00	8/19/11			2,625.00
20.601	AL-12-10-04-MH-05	5,000.00	12/5/11	4,500.00	5,000.00	5,000.00
20.601	AL-12-10-04-MS-72	4,400.00	8/17/12	4,150.00	3,700.00	3,700.00
20.613	OP11-21-01-13	4,000.00	10/1/10	7.50	7.50	4,000.00
20.613	OP12-21-01-01	4,000.00	10/1/11	3,742.48	3,747.48	3,747.48
				<u>20,399.98</u>	<u>20,454.98</u>	<u>29,797.48</u>
81.128	DE - EE0002430	199,200.00	9/29/09	117,067.41	54,982.59	199,200.00
93.069	10-949-BT-L-1	25,800.00	10/1/09		14,323.61	14,323.61
93.069	N/A	10,000.00	1/1/11		9,815.65	9,815.65
					<u>24,139.26</u>	<u>24,139.26</u>
97.042	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous			10,000.00
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			62.52
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous	10,000.00		
97.042	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.078	2009-BF-T9-0041	31,000.00	9/1/12	10,000.00	30,936.96	30,936.96
					<u>34,396.08</u>	<u>40,999.48</u>
				<u>163,651.68</u>	<u>144,626.65</u>	<u>357,768.64</u>

TOTAL FEDERAL FINANCIAL ASSISTANCE

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT AWARD AMOUNT	2012 RECEIPTS	2012 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2012
<u>Department of Environmental Protection</u>					
Clean Communities Program					
2011	4900-765-042-4900-004-VCMC-6020	75,732.58	\$	58,144.00	75,732.58
2012	4900-765-042-4900-004-VCMC-6020	74,559.24	74,559.24	25,596.20	25,596.20
Recycling Tonnage Program					
2011	4900-752-042-4900-001-V42Y-6020	76,754.83		9,020.90	76,754.83
2012	4900-752-042-4900-001-V42Y-6020	60,910.61		50,979.10	50,979.10
Unappropriated	4900-752-042-4900-001-V42Y-6020	84,630.70	84,630.70		
Public Water Supply Contract					
Stormwater Regulation Program-2006		97,350.00			97,350.00
Hazardous Discharge Site Remediation - EDA	P24813	20,619.00			15,821.00
		109,054.00	\$	143,740.20	99,140.00
			\$		441,373.71
<u>Department of Law and Public Safety</u>					
Safe and Secure Communities Program	1020-100-066-232-YCJF-6120	60,000.00	60,000.00	60,000.00	60,000.00
Drunk Driving Enforcement Fund					
2011	6400-100-078-6400-YYYY	20,679.41		2,137.38	20,679.41
2012	6400-100-078-6400-YYYY	16,882.88	16,882.88	13,971.21	13,971.21
Unappropriated	6400-100-078-6400-YYYY	19,141.77	19,141.77		
Alcohol Education Rehabilitation Fund					
2009	9735-760-098-Y900-001-X100-6020	7,843.21		197.88	7,843.21
2010	9735-760-098-Y900-001-X100-6020	3,669.93		3,302.12	3,302.12
2011	9735-760-098-Y900-001-X100-6020	6,148.56		6,000.00	6,000.00
2012	9735-760-098-Y900-001-X100-6020	4,532.90	4,532.90	1,000.00	1,000.00
Body Armor Replacement Fund					
2010	1020-718-066-1020-001-YCJS-0120	8,872.55		489.73	3,657.33
2012	1020-718-066-1020-001-YCJS-0120	13,610.08	6,804.73	3,508.77	3,508.77
			\$	90,607.09	119,962.05
<u>Pass Through from County of Somerset</u>					
Municipal Alliance on Alcoholism and Drug Abuse					
2011	SC-ALL-10-03	39,673.00	17,308.68	\$	39,555.13
2012	SC-ALL-10-03	39,673.00	31,889.99	39,673.00	39,673.00
			\$	39,673.00	79,228.13
<u>Department of Human Services</u>					
Public Assistance-State Share	7550-150-054-7550-121-LLL-6020	409,295.43	303,500.00	409,295.43	409,295.43

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

<u>STATE GRANTOR/PROGRAM TITLE</u>	<u>STATE ACCOUNT NUMBER</u>	<u>GRANT AWARD AMOUNT</u>	<u>2012 RECEIPTS</u>	<u>2012 EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES DECEMBER 31, 2012</u>
<u>Department of Health and Senior Services</u>					
Public Health Priority Funding- 2010	4220-100-046-4535-109-J002-6020	\$ 10,590.00	\$	\$ 3,428.10	10,590.00
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			529.93
		\$	\$	\$ 3,428.10	\$ 11,119.93
<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			107,022.58
Repaving U.S. Route 22	08-480-078-6320-AJ3-6010	225,000.00		6,320.26	114,384.71
Brown Road	10-480-078-6320-AKN-6010	150,000.00			150,000.00
Country Club Road - Phase III	MA-2012-Bridgewater Twp.-00452	140,000.00		440.24	112,890.17
Highway Safety Fund (Safe Corridors)	HSF-2011-Bridgewater Twp.-00003	112,890.17	12,318.18		112,890.17
Highway Safety Fund (Safe Corridors)	HSF-2012-Bridgewater Twp.-00094	100,131.75	100,131.75	38,017.59	38,017.59
		\$	\$ 112,449.93	\$ 44,778.09	\$ 604,975.37
<u>Office of Homeland Security and Preparedness</u>					
Canine-Air-Rails-Shopping Malls -	02-2010-2736-0736-2-00000	291,104.00	\$	\$ 266,251.81	290,401.81
E Grant Program (CARS-E)			33,000.00		
		\$	\$ 33,000.00	\$ 266,251.81	\$ 290,401.81
<u>TOTAL STATE AID AND STATE GRANT FINANCIAL ASSISTANCE</u>					
		\$	\$ 764,700.82	\$ 997,773.72	\$ 1,956,356.43

TOWNSHIP OF BRIDGEWATER

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

YEAR ENDED DECEMBER 31, 2012

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	\$ 163,651.68	\$ 461,200.82	\$ 7,033.75	\$ 631,886.25
Public Assistance Trust Fund	<u> </u>	<u>303,500.00</u>	<u> </u>	<u>303,500.00</u>
	<u>\$ 163,651.68</u>	<u>\$ 764,700.82</u>	<u>\$ 7,033.75</u>	<u>\$ 935,386.25</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 144,626.65	\$ 588,478.29	\$ 133,172.43	\$ 866,277.37
Public Assistance Trust Fund	<u> </u>	<u>409,295.43</u>	<u> </u>	<u>409,295.43</u>
	<u>\$ 144,626.65</u>	<u>\$ 997,773.72</u>	<u>\$ 133,172.43</u>	<u>\$ 1,275,572.80</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, 2012

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|---------------|
| (1) Type of Auditor Report Issued: | Unqualified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | N/A |
| (3) Noncompliance material to the financial statements to be noted during the audit? | None Reported |

Federal Programs(s) - Not Applicable

State Program(s)

- | | |
|---|---------------|
| (1) Internal Control Over Major State Programs: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be 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>
Homeland Security- Canine Air Rails Shopping Malls E Rate Program (CARS-E)	02-2010-2736-0736-2-00000

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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? Yes

**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, 2012

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

	YEAR 2012		YEAR 2011	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 2,800,000.00	1.50%	\$ 3,116,859.31	1.71%
Miscellaneous - From Other Than Local Property Tax Levies	15,873,530.72	8.50%	14,761,951.58	8.09%
Collection of Delinquent Taxes and Tax Title Liens	1,591,427.31	0.85%	1,157,959.74	0.63%
Collections of Current Tax Levy	<u>166,458,625.08</u>	<u>89.15%</u>	<u>163,523,102.75</u>	<u>89.57%</u>
<u>Total Revenue</u>	<u>\$ 186,723,583.11</u>	<u>100.00%</u>	<u>\$ 182,559,873.38</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 36,922,991.89	20.04%	\$ 36,019,862.98	19.96%
County Taxes	33,332,035.94	18.09%	32,798,260.70	18.18%
Regional School Taxes	111,787,443.35	60.66%	109,277,842.74	60.56%
Special Fire District Taxes	2,244,354.00	1.21%	2,199,096.00	1.22%
Other Expenditures	<u>550.00</u>	<u>0.00%</u>	<u>142,305.01</u>	<u>0.08%</u>
<u>Total Expenditures</u>	<u>\$ 184,287,375.18</u>	<u>100.00%</u>	<u>\$ 180,437,367.43</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,436,207.93		\$ 2,122,505.95	
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	<u>\$ 640,000.00</u>		<u>774,509.00</u>	
Excess in Revenue	\$ 3,076,207.93		\$ 2,897,014.95	
Fund Balance - January 1	<u>4,231,373.30</u>		<u>4,451,217.66</u>	
	\$ 7,307,581.23		\$ 7,348,232.61	
Less: Utilization as Anticipated Revenue	<u>2,800,000.00</u>		<u>3,116,859.31</u>	
Fund Balance, December 31	<u>\$ 4,507,581.23</u>		<u>\$ 4,231,373.30</u>	

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

	YEAR 2012		YEAR 2011	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 2,228,748.24	16.96%	\$ 308,352.10	2.70%
Collection of Sewer Use Charges	9,886,255.75	75.23%	9,555,393.14	83.80%
Miscellaneous	1,027,106.38	7.81%	1,538,501.13	13.50%
<u>Total Revenue</u>	<u>\$ 13,142,110.37</u>	<u>100.00%</u>	<u>\$ 11,402,246.37</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 9,301,313.39	79.21%	\$ 9,654,159.10	96.71%
Capital Improvements	2,075,000.00	17.67%		
Deferred Charges and Statutory Expenditures	178,000.00	1.52%	145,000.00	1.45%
Debt Service	186,734.85	1.59%	178,493.00	1.79%
Miscellaneous	1,058.57	0.01%	4,786.98	0.05%
<u>Total Expenditures</u>	<u>\$ 11,742,106.81</u>	<u>100.00%</u>	<u>\$ 9,982,439.08</u>	<u>100.00%</u>
Excess in Revenue	\$ 1,400,003.56		\$ 1,419,807.29	
Fund Balance, January 1	4,239,039.28		3,127,584.09	
	\$ 5,639,042.84		\$ 4,547,391.38	
Less: Utilization as Anticipated Revenue	2,228,748.24		308,352.10	
Fund Balance, December 31	<u>\$ 3,410,294.60</u>		<u>\$ 4,239,039.28</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate	<u>\$1.967</u>	<u>\$1.926</u>	<u>\$1.845</u>
Appointment of Tax Rate:			
Municipal	\$0.247	\$0.240	\$0.223
County	0.396	0.389	0.400
Local School	<u>1.324</u>	<u>1.297</u>	<u>1.222</u>

Assessed Valuation:

Year 2012	<u>\$ 8,437,787,805.00</u>		
Year 2011		<u>\$ 8,426,833,377.00</u>	
Year 2010			<u>\$ 8,696,846,384.00</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>
2012	\$168,556,539.11	\$166,658,625.08	98.87%
2011	165,157,406.75	163,523,102.75	99.01%
2010	163,027,081.24	161,788,216.45	99.24%

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</u> <u>31, YEAR</u>	<u>AMOUNT OF</u> <u>TAX TITLE</u> <u>LIENS</u>	<u>AMOUNT OF</u> <u>DELINQUENT</u> <u>TAXES</u>	<u>TOTAL</u> <u>DELINQUENT</u>	<u>PERCENTAGE</u> <u>OF TAX</u> <u>LEVY</u>
2012	\$125,140.59	\$1,534,884.03	\$1,660,024.62	0.98%
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%

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>
2012	\$422,300.00
2011	422,300.00
2010	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	2012	\$ 4,507,581.23	\$ 3,000,000.00 *
	2011	4,231,373.30	2,800,000.00
	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
Sewer Utility Operating Fund	2012	\$ 3,410,294.60	\$ 587,377.96 *
	2011	4,239,039.28	2,228,748.24
	2010	3,127,584.09	308,352.10
	2009	1,328,708.27	413,307.00
	2008	728,863.58	287,261.81

* Per Introduced Budget

EQUALIZED VALUATIONS – REAL PROPERTY

<u>Year</u>	
2012	\$8,956,390,052.00
2011	9,409,750,447.00
2010	9,602,149,823.00

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>
Daniel J. Hayes Jr.	Mayor		
Allen Kurdyla	Council Member - President		
Howard Norgalis	Council Member		
Matthew Moench	Council Member		
Christine Henderson Rose	Council Member		
Filipe Pedroso	Council Member		
James Naples	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
Rose Witt	Qualified Purchasing Agent	*	
Christina Rogers	Human Resources Officer	*	
Darrow Murdock	Tax Collector, Tax Search Officer, Sewer Collector	\$650,000.00	Penn National Insurance
Anthony DiRado	Tax Assessor	*	
Willam Savo	Township Attorney	*	
Scarlett Doyle	Township Planner	*	
Steve Rodzinak	Construction Code Official	*	
Robert Bogart	Director of Municipal Services, Township Engineer	*	
Thomas Forsythe	Deputy Director of Municipal Services	*	

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	*	
Peter Leung	Health Officer	*	
Mary Ellen Ianniello	Registrar	*	
Patricia Padovani	Director of Welfare	*	
John Langel	Superintendent of Public Works	*	
Patricia Padovani	Director of Welfare	*	
Christine Schneider	Superintendent of Recreation	*	

*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:

- Custodial Services
- Police Uniforms, Shoes and Gear
- Dry Cleaning of Police Uniforms
- Purchase of a Wood Chipper
- Sanitary Sewer Rehabilitation Project
- 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 1, 2012 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 19, 2012 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>
2012	26
2011	22
2010	19
2009	16
2008	16

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 2013 Taxes	50
Payments of 2012 Taxes	50
Delinquent Taxes	25
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

