

*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, 2010*



TOWNSHIP OF BRIDGEWATER

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TOWNSHIP OF BRIDGEWATER

PART I

INDEPENDENT AUDITOR'S REPORT ON  
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YEAR ENDED DECEMBER 31, 2010 AND 2009



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements - statutory basis of the various individual funds and the account group of the Township of Bridgewater, County of Somerset, New Jersey as of and for the years ended December 31, 2010 and 2009, and for the year ended December 31, 2010 as listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the Township of Bridgewater, County of Somerset. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Audit." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Township of Bridgewater, County of Somerset, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

# SUPLEE, CLOONEY & COMPANY

In our opinion, because the Township of Bridgewater prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the various individual funds of the Township of Bridgewater as of December 31, 2010 and 2009 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2010.

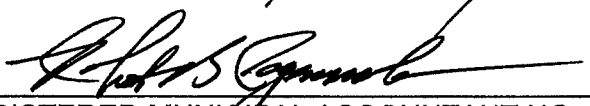
However, in our opinion, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds and account groups of the Township of Bridgewater, County of Somerset, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance - statutory basis for the years then ended and the revenues, expenditures and changes in fund balance - statutory basis for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated April 11, 2011 on our consideration of the Township of Bridgewater's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - statutory basis taken as a whole. The information included in the schedules of expenditures of federal awards and state financial assistance and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by the State of New Jersey, OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, Stater Grants and State Aid" and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

April 11, 2011

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CURRENT FUND

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2009
<u>ASSETS</u>			
Cash	A-4	\$ 9,672,892.50	\$ 10,310,842.92
Change Fund	A-6	410.00	410.00
Due State of New Jersey - Senior Citizens and Veterans	A-7	163,348.84	143,531.87
		<u>\$ 9,836,651.34</u>	<u>\$ 10,454,784.79</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 1,155,904.30	\$ 1,551,308.35
Tax Title Liens Receivable	A-9	112,632.62	109,465.18
Property Acquired for Taxes - Assessed Valuation	A-10	422,300.00	422,300.00
Revenue Accounts Receivable	A-13	56,473.83	52,142.63
Prepaid Fire District Taxes	A-22	1,500.00	
Interfunds Receivable	A-12	31,263.23	
	A	<u>\$ 1,780,073.98</u>	<u>\$ 2,135,216.16</u>
Deferred Charges			
	A-31	<u>\$ 100,000.00</u>	<u>\$</u>
	A	<u>\$ 11,716,725.32</u>	<u>\$ 12,590,000.95</u>
Grant Fund:			
Cash	A-4	\$ 236,273.01	\$ 283,125.59
Grants Receivable	A-25	1,409,892.23	1,099,554.38
Due Current Fund	A-30		5,661.35
	A	<u>\$ 1,646,165.24</u>	<u>\$ 1,388,341.32</u>
	A	<u>\$ 13,362,890.56</u>	<u>\$ 13,978,342.27</u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriations Reserves	A-3:A-14	\$ 1,168,415.51	\$ 1,401,521.65
Prepaid Taxes	A-18	867,565.85	714,837.24
Accounts Payable	A-11	636,670.30	785,781.44
Tax Overpayments	A-17	999,593.08	967,688.90
Interfunds Payable	A-12	748,749.24	644,622.11
Reserve For:			
Sale of Municipal Assets	A-19	226,759.85	
Burial Permits - Due State of NJ	A-29		20.00
Marriage/Civil Union Licenses - Due State of NJ	A-28	1,050.00	975.00
Construction Code DCA - Due State of New Jersey	A-16	18,579.00	33,600.00
County Taxes Payable	A-20	85,785.74	201,230.63
Tax Appeals	A-15	701,001.88	745,758.32
Storm Damage - FEMA	A-27	31,263.23	
		<u>\$ 5,485,433.68</u>	<u>\$ 5,496,035.29</u>
Reserve for Receivables and Other Assets	A	1,780,073.98	2,135,216.16
Fund Balance	A-1	<u>4,451,217.66</u>	<u>4,958,749.50</u>
	A	<u>\$ 11,716,725.32</u>	<u>\$ 12,590,000.95</u>
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 35,656.33	\$ 57,602.94
Reserve for Grants - Appropriated	A-23	1,109,081.70	944,495.95
Due Current Fund	A-30	31,263.23	
Accounts Payable	A-11	<u>470,163.98</u>	<u>386,242.43</u>
	A	<u>\$ 1,646,165.24</u>	<u>\$ 1,388,341.32</u>
	A	<u>\$ 13,362,890.56</u>	<u>\$ 13,978,342.27</u>

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

## TOWNSHIP OF BRIDGEWATER

## CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGES IN FUND BALANCE - STATUTORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2010	YEAR ENDED DECEMBER 31, 2009
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 3,584,732.98	\$ 4,100,076.42
Miscellaneous Revenue Anticipated	A-2	14,499,963.24	16,258,970.51
Receipts From Delinquent Taxes	A-2	1,554,249.75	1,114,908.22
Receipts From Current Taxes	A-2	161,788,216.45	159,249,292.10
Non-Budget Revenue	A-2	323,134.17	346,091.33
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	525,061.81	857,915.30
Grants Appropriated Canceled	A-23	87,074.00	227,968.69
Accounts Payable Canceled	A-11	25,846.65	12,309.49
Reserves Canceled		1,942.19	52,875.00
Interfunds Returned			13,239.90
<u>TOTAL REVENUE AND OTHER INCOME</u>		<u>\$ 182,390,221.24</u>	<u>\$ 182,233,646.96</u>
<u>EXPENDITURES</u>			
Budget Appropriations	A-3	\$ 36,045,498.97	\$ 37,438,488.56
Special Fire District Taxes	A-22	2,167,745.00	2,043,347.00
County Taxes	A-20	34,764,775.45	32,207,679.10
Regional School District Taxes	A-21	106,302,430.34	103,448,998.27
Municipal Open Space Taxes	A-26	314.58	3,563,598.86
Reserve for Tax Appeals			
Grants Receivable Canceled	A-25	87,074.00	204,490.62
Interfunds Advanced		31,263.23	
Prepaid Fire District		1,500.00	
Refund of Prior Year Revenue	A-4	12,418.53	63,359.07
<u>TOTAL EXPENDITURES</u>		<u>\$ 179,413,020.10</u>	<u>\$ 178,969,961.48</u>
Excess in Revenue		\$ 2,977,201.14	\$ 3,263,685.48
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	A-31	\$ 100,000.00	\$
Statutory Excess to Fund Balance		\$ 3,077,201.14	\$ 3,263,685.48
Fund Balance, January 1	A	4,958,749.50	5,795,140.44
		<u>\$ 8,035,950.64</u>	<u>\$ 9,058,825.92</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	3,584,732.98	4,100,076.42
Fund Balance, December 31	A	<u>\$ 4,451,217.66</u>	<u>\$ 4,958,749.50</u>

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



TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS

YEAR ENDED DECEMBER 31, 2010

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 3,584,732.98	\$ 3,584,732.98	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 83,000.00	\$ 86,282.00	\$ 3,282.00
Other	A-13	25,000.00	32,081.00	7,081.00
Fees and Permits:				
Construction Code Official	A-2	640,000.00	639,741.40	(258.60)
Other	A-2	270,000.00	243,087.71	(26,912.29)
Municipal Court:				
Fines and Costs	A-13	670,000.00	754,194.00	84,194.00
Interest and Costs on Taxes	A-13	315,000.00	394,017.85	79,017.85
Interest on Investments and Deposits	A-13	170,000.00	106,203.36	(63,796.64)
Recreation Fees	A-2	120,000.00	115,862.20	(4,137.80)
Consolidated Municipal Property Tax Relief Aid	A-13	623,764.00	623,764.00	
Energy Receipts Tax	A-13	5,276,415.00	5,276,415.00	
Garden State Trust Fund	A-13	6,123.00	4,082.00	(2,041.00)
Joint Services with County Library	A-13	318,800.00	432,847.00	114,047.00
Public Health Priority Funding	A-25	10,590.00	10,590.00	
Municipal Alliance on Alcoholism and Drug Use	A-25	39,673.00	39,673.00	
Drunk Driving Enforcement Fund	A-25	26,704.94	26,704.94	
Clean Communities Program	A-25	77,955.83	77,955.83	
Safe & Secure Communities Program	A-25	60,000.00	60,000.00	
Office of Emergency Management	A-25	5,000.00	5,000.00	
Homeland Security Preparedness	A-25	412,783.00	412,783.00	
Body Armor Replacement Fund	A-25	2,380.18	8,872.55	6,492.37
Federal Bulletproof Vest Partnership	A-25		10,143.00	10,143.00
Over the Limit, Under Arrest	A-25	5,000.00	5,000.00	
Hazardous Site Remediation	A-25		308,846.00	308,846.00
Child Passenger Safety	A-25	5,500.00	5,500.00	
Regional Center Challenge	A-25		20,000.00	20,000.00
H1N1 Grant	A-25	112,874.00	112,874.00	
2010 Challenge Grant - Sidewalk Installation of Rte 22	A-25		25,000.00	25,000.00
Alcohol Education Rehabilitation Program	A-25	3,669.93	3,669.93	
Youth Development Program	A-25	5,000.00	5,000.00	
CDBG Youth Program	A-25		7,776.00	7,776.00
2010 CARS - E - Shopping Mall	A-25		291,104.00	291,104.00
JAG Program	A-25	10,800.00	10,800.00	
Life Hazard Use Fees	A-13	100,000.00	119,069.18	19,069.18
Suburban Cablevision Franchise Fee	A-13	180,000.00	203,916.82	23,916.82
Payment In Lieu of Taxes - Centerbridge I	A-13	90,000.00	93,202.83	3,202.83
Payment in Lieu of Taxes - Centerbridge II	A-13	85,000.00	119,170.98	34,170.98
Bridgewater Commons Rent and Royalty - In Lieu of Taxes	A-13	1,400,000.00	1,614,261.00	214,261.00
Host Benefit Fees	A-13	250,000.00	253,820.26	3,820.26
Capital Surplus	A-13	130,000.00	130,000.00	
Hotel and Motel Tax	A-13	750,000.00	689,677.66	(60,322.34)
Sale of Liquor License	A-13	300,000.00	455,570.00	155,570.00
Summer Playground	A-13	91,000.00	91,360.00	360.00
Debt Service Reimbursement - Reserve to Pay Debt	A-13	393,140.00	393,140.00	
Debt Service Reimbursement - Open Space Trust Fund	A-13	180,904.74	180,904.74	
<b>Total Miscellaneous Revenues</b>	A-1	\$ 13,246,077.62	\$ 14,499,963.24	\$ 1,253,885.62
Receipts From Delinquent Taxes	A-1	\$ 1,000,000.00	\$ 1,554,249.75	\$ 554,249.75
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-2	\$ 19,460,547.00	\$ 20,552,951.08	\$ 1,092,404.08
<b>BUDGET TOTALS</b>		\$ 37,291,357.60	\$ 40,191,897.05	\$ 2,231,178.08
Non-Budget Revenues	A-2		323,134.17	323,134.17
		\$ 37,291,357.60	\$ 40,515,031.22	\$ 2,554,312.25
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 - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collections	A-1:A-8	\$ 161,788,216.45
Allocated To:		
County Taxes	A-8	34,764,775.45
Regional School District Taxes	A-8	106,302,430.34
Special Fire District Taxes	A-8	2,167,745.00
Municipal Open Space Taxes	A-8	314.58
		<u>\$ 143,235,265.37</u>
Balance for Support of Municipal Budget Appropriations		\$ 18,552,951.08
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,000,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 20,552,951.08</u>
Licenses - Other:		
Clerk		\$ 2,730.00
Health Officer		27,360.00
Registrar		591.00
Police Towing		<u>1,400.00</u>
	A-2:A-13	<u>\$ 32,081.00</u>
Other - Fees and Permits:		
Board of Health		\$ 4,176.00
Police		69,047.88
Clerk		3,081.81
Planning		2,400.00
Prosecutor		966.63
Registrar		13,385.00
Engineering		256.74
Tax Assessor		869.55
Board of Adjustment		25,184.80
Zoning		2,925.00
Tax Searches		80.00
Fire		<u>120,749.30</u>
	A-13	\$ <u>243,122.71</u>
Less: Refunds	A-4	<u>35.00</u>
	A-2	<u>\$ 243,087.71</u>
Recreation Fees	A-13	\$ 121,121.00
Less: Refunds	A-4	<u>5,258.80</u>
	A-2	<u>\$ 115,862.20</u>

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	<u>REF.</u>	
Uniform Construction Code Fees	A-13	\$ 639,831.00
Less: Refunds	A-4	<u>89.60</u>
	A-2	<u>\$ 639,741.40</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Bid Specs	\$	2,425.00
Road Openings		763.30
Township Escrow Fees		4,891.69
COAH Rent		1,340.00
JIF Award		7,456.45
Election Reimbursement		360.00
Refund of Prior Year Expenses		57,162.09
Bad Check Fees		960.00
Police Outside Overtime Administrative Fees		110,290.00
Police Outside Overtime Car Usage		63,469.32
Senior Citizens & Veterans Administrative Fees		7,652.42
Interest on Assessments		
Refuse Revenue		11,439.00
DMV Inspection Fines		6,750.00
Tax Collector		6,982.19
Miscellaneous		<u>41,192.71</u>
<u>Total Non-Budget Revenue</u>	A-1:A-2	<u>\$ 323,134.17</u>

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
MAYOR'S OFFICE:					
Salaries and Wages	\$ 60,123.75	\$ 60,123.75	\$ 60,123.16	\$ 0.59	
Other Expenses	3,580.00	3,580.00	3,408.68	171.34	
ADMINISTRATION:					
Salaries and Wages	126,818.25	126,818.25	126,817.34	0.91	
Other Expenses	24,540.00	18,540.00	15,452.44	3,087.56	
ECONOMIC DEVELOPMENT:					
Salaries and Wages	69,517.00	69,517.00	69,516.72	0.28	
Other Expenses	500.00	500.00	163.00	337.00	
TOWNSHIP COUNCIL:					
Salaries and Wages	27,242.30	27,242.30	26,939.36	302.94	
Other Expenses	6,345.00	6,345.00	6,194.68	150.32	
PERSONNEL OFFICE:					
Salaries and Wages	127,702.50	127,702.50	126,927.82	774.68	
Other Expenses	10,500.00	7,500.00	5,767.77	1,732.23	
PURCHASING DEPARTMENT:					
Salaries and Wages	83,895.75	84,895.75	84,743.50	152.25	
Other Expenses	25,350.00	24,350.00	22,574.53	1,775.47	
GRANTS ADMINISTRATION:					
Salaries and Wages	76,326.60	76,326.60	76,326.12	0.48	
Other Expenses	200.00	200.00	138.40	61.60	
TOWNSHIP CLERK:					
Salaries and Wages	183,058.50	183,058.50	183,056.12	2.38	
Other Expenses	15,050.00	17,050.00	14,661.33	2,388.67	
ELECTIONS:					
Other Expenses	16,700.00	16,700.00	13,048.54	3,651.46	
FINANCE DIRECTOR'S OFFICE:					
Salaries and Wages	80,713.50	80,713.50	80,712.83	0.67	
Other Expenses	2,975.00	2,975.00	2,931.02	43.98	
DIVISION OF TREASURY:					
Salaries and Wages	109,696.71	101,696.71	101,528.65	168.06	
Other Expenses	11,200.00	11,200.00	10,845.99	354.01	
Audit	45,000.00	45,000.00	44,250.00	750.00	
TAX COLLECTION:					
Salaries and Wages	121,727.50	121,727.50	121,220.66	506.84	
Other Expenses	27,515.00	27,515.00	25,054.32	2,460.68	
TAX ASSESSMENT:					
Salaries and Wages	201,388.00	199,388.00	198,750.15	637.85	
Other Expenses	89,650.00	79,650.00	71,701.63	7,948.37	
Reassessment Program	100,000.00	92,500.00	92,500.00		
LEGAL OFFICE:					
Salaries and Wages	13,000.00	11,000.00	9,778.65	1,221.35	
Other Expenses	445,000.00	441,000.00	426,682.86	14,317.14	
INSURANCE:					
Employee Group Insurance	3,825,346.00	4,045,346.00	3,980,358.34	64,987.66	
Other Insurance Premiums	650,205.00	650,205.00	650,205.00		
ENGINEERING DIRECTOR'S OFFICE:					
Salaries and Wages	59,548.50	59,548.50	59,548.06	0.44	
ENGINEERING:					
Salaries and Wages	116,059.50	82,059.50	79,994.75	2,064.75	
Other Expenses	7,845.00	5,845.00	5,828.04	16.96	
BOARD OF ADJUSTMENT/ZONING:					
Salaries and Wages	78,660.00	73,660.00	64,296.50	9,363.50	
Other Expenses	19,360.00	19,360.00	19,327.43	32.57	
DIVISION OF PLANNING:					
Salaries and Wages	91,525.00	90,525.00	89,282.79	1,242.21	
Other Expenses	65,220.00	65,220.00	60,758.64	4,461.36	
PLANNING BOARD:					
Other Expenses	24,575.00	24,575.00	20,975.83	3,599.17	
POLICE:					
Salaries and Wages	8,466,003.01	8,636,003.01	8,435,324.94	200,678.07	
Other Expenses	314,909.85	314,909.85	279,786.90	35,122.95	
OFFICE OF EMERGENCY MANAGEMENT:					
Salaries and Wages	7,400.00	7,400.00	7,400.00		
Other Expenses	2,850.00	2,850.00	2,815.13	34.87	
FIRE SAFETY:					
Salaries and Wages	184,459.00	182,459.00	182,052.60	406.40	
Other Expenses	100.00	100.00		100.00	
FIRE HYDRANT SERVICES:					
Other Expenses	875,000.00	875,000.00	716,192.40	158,807.60	
FIRST AID ORGANIZATION CONTRIBUTION:					
Other Expenses	40,000.00	40,000.00	40,000.00		
MUNICIPAL COURT:					
Salaries and Wages	308,757.00	307,757.00	299,188.84	8,568.16	
Other Expenses	40,350.00	40,350.00	36,600.23	3,749.77	
PUBLIC DEFENDER:					
Other Expenses	15,000.00	15,000.00	14,200.00	800.00	
ROAD REPAIRS AND MAINTENANCE:					
Salaries and Wages	1,787,156.24	1,787,156.24	1,749,411.16	37,745.08	
Other Expenses	386,900.00	386,900.00	354,999.36	31,900.64	

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS

YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
VEHICLE MAINTENANCE:					
Salaries and Wages	\$ 280,028.25	\$ 280,028.25	\$ 279,577.05	\$ 451.20	\$
Other Expenses	130,200.00	130,200.00	120,280.97	9,919.03	
RECYCLING:					
Other Expenses	300,000.00	300,000.00	293,071.85	6,928.15	
SNOW REMOVAL:					
Salaries and Wages	150,000.00	150,000.00	139,791.82	10,208.38	
Other Expenses	298,375.00	298,375.00	297,446.92	928.08	
CONTRACT WITH REGIONAL BOARD OF EDUCATION FOR TRANSPORTATION OF LOCAL PUPILS (N.J.S. 18a:39-1.2)	279,998.80	279,998.80	279,998.80		
PARK MAINTENANCE:					
Salaries and Wages	746,685.88	676,655.88	649,630.08	27,055.80	
Other Expenses	86,132.00	86,132.00	82,831.05	3,300.95	
MUNICIPAL SERVICES REIMBURSEMENT-CONDOMINIUMS					
Other Expenses	61,000.00	61,000.00	11,084.55	49,915.45	
PUBLIC BUILDINGS AND GROUNDS:					
Salaries and Wages	213,622.00	213,622.00	209,204.15	4,417.85	
Other Expenses	164,400.00	164,400.00	155,463.32	8,936.68	
DIRECTOR'S OFFICE:					
Salaries and Wages	92,690.00	92,690.00	92,688.96	1.04	
Other Expenses	550.00	550.00	299.00	251.00	
DIVISION OF HEALTH:					
Salaries and Wages	187,498.00	182,498.00	181,996.40	501.60	
Other Expenses	10,525.00	10,525.00	5,195.72	5,329.28	
ADMINISTRATION OF PUBLIC ASSISTANCE:					
Salaries and Wages	81,981.95	82,981.95	82,937.73	44.22	
Other Expenses	200.00	200.00	75.00	125.00	
VISITING NURSES SERVICES - CONTRIBUTION	6,930.00	6,930.00	4,317.00	2,613.00	
CONTRIBUTION TO SOMERSET REGIONAL CENTER PARTNERSHIP	12,100.00	12,100.00	12,100.00		
ENVIRONMENTAL COMMISSION (N.J.S. 40:56a-1 et seq):					
Salaries and Wages	4,708.00	4,708.00	4,511.40	196.60	
Other Expenses	1,270.00	1,270.00	425.96	844.04	
SENIOR CITIZEN SERVICES:					
Salaries and Wages	109,373.02	101,373.02	100,308.34	1,064.68	
Other Expenses	21,525.00	21,525.00	16,959.48	4,565.52	
DIVISION OF RECREATION:					
Salaries and Wages	414,642.00	384,642.00	380,520.09	4,121.91	
Other Expenses	98,815.00	98,815.00	82,963.80	15,851.20	
BRANCH LIBRARY:					
Other Expenses	123,400.00	123,400.00	123,400.00		
GREEN BROOK FLOOD CONTROL:					
Other Expenses	2,500.00	2,500.00	1,388.09	1,111.91	
STATE UNIFORM CONSTRUCTION CODE CODE OFFICIAL:					
Salaries and Wages	423,691.00	439,691.00	438,402.47	1,288.53	
Other Expenses	205,361.26	179,861.26	67,808.48	111,952.78	
STREET LIGHTING	300,000.00	300,000.00	298,669.64	1,330.36	
TELEPHONE SERVICE	190,000.00	190,000.00	118,250.58	71,749.42	
CENTRAL OFFICE SUPPLY	20,000.00	17,000.00	17,000.00		
UTILITIES	685,000.00	685,000.00	638,723.94	46,276.06	
POSTAGE	40,000.00	40,000.00	40,000.00		
SALARY SETTLEMENTS AND ADJUSTMENTS	100,000.00	100,000.00	100,000.00		
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>\$ 25,315,746.62</b>	<b>\$ 25,495,746.62</b>	<b>\$ 24,497,825.63</b>	<b>\$ 997,920.99</b>	<b>\$</b>
CONTINGENT	5,000.00	5,000.00		5,000.00	
<b>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</b>	<b>\$ 25,320,746.62</b>	<b>\$ 25,500,746.62</b>	<b>\$ 24,497,825.63</b>	<b>\$ 1,002,920.99</b>	<b>\$</b>
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"					
CONTRIBUTION TO:					
Social Security System (O.A.S.I.)	\$ 1,227,642.88	\$ 1,227,842.88	\$ 1,225,490.19	\$ 2,152.69	\$
DCRP	2,000.00	2,000.00	1,035.33	964.67	
Pension Firemen's Widows	11,000.00	11,000.00	10,000.00	1,000.00	
Police & Firemen's Retirement System of NJ	1,977,015.00	1,977,015.00	1,977,015.00		
Unemployment Compensation Insurance	223,561.86	143,561.86	63,904.27	79,657.59	
Public Employees' Retirement System of NJ	819,354.00	819,354.00	819,354.00		
<b>TOTAL DEFERRED CHARGES &amp; STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>	<b>\$ 4,260,573.74</b>	<b>\$ 4,180,573.74</b>	<b>\$ 4,096,798.79</b>	<b>\$ 83,774.95</b>	<b>\$</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>\$ 29,581,320.36</b>	<b>\$ 29,681,320.36</b>	<b>\$ 28,594,624.42</b>	<b>\$ 1,086,695.94</b>	<b>\$</b>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS

YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
Stormwater Permit	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$	\$
Length of Service Award Program	104,742.00	104,742.00	104,742.00		
<b>TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>\$ 113,742.00</b>	<b>\$ 113,742.00</b>	<b>\$ 113,742.00</b>	<b>\$</b>	<b>\$</b>
DOG REGULATION	\$ 226,012.00	\$ 226,012.00	\$ 221,585.00	\$ 4,427.00	\$
<b>BRANCH LIBRARY:</b>					
Salaries and Wages	226,539.00	226,539.00	203,130.50	23,408.50	
Other Expenses	110,000.00	110,000.00	93,368.25	16,631.75	
Insurance - Employee Group Insurance	139,284.00	139,284.00	129,484.96	9,799.04	
Social Security	17,330.23	17,330.23	4,774.76	12,555.47	
<b>STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES</b>					
<b>Municipal Alliance Program</b>					
State Aid	39,673.00	39,673.00	39,673.00		
Matching Funds for Grants	9,918.00	9,918.00	9,918.00		
<b>Clean Communities Program</b>					
Other Expenses	77,955.83	77,955.83	77,955.83		
<b>Safe and Secure Communities Program</b>					
State Aid	60,000.00	60,000.00	60,000.00		
Matching Funds for Grants	110,871.00	110,871.00	110,871.00		
<b>Supplemental Fire Services Program Fire District</b>					
Other Expenses	11,859.00	11,859.00	11,859.00		
<b>Drunk Driving Enforcement Fund</b>					
Other Expenses	26,704.94	26,704.94	26,704.94		
<b>Over Limit Under Arrest</b>					
Other Expenses	5,000.00	5,000.00	5,000.00		
Bulletproof Vest Partnership Grant (N.J.S.A. 40A: 4-87+\$10,143.00)		10,143.00	10,143.00		
2010 Regional Center Partnership Challenge Grant (N.J.S.A. 40A: 4-87+\$20,000.00)		20,000.00	20,000.00		
Body Armor Replacement Grant	2,380.18	2,380.18	2,380.18		
Body Armor Fund - 2010 (N.J.S.A. 40A: 4-87+\$6,492.37.00)		6,492.37	6,492.37		
HDSRF - Municipal Garage (N.J.S.A. 40A: 4-87+\$308,846.00)		308,846.00	308,846.00		
Public Health Priority Funding	10,590.00	10,590.00	10,590.00		
CDBG Youth Development (N.J.S.A. 40A: 4-87+\$7,776.00)		7,776.00	7,776.00		
Alcohol Education Rehabilitation Program	3,669.93	3,669.93	3,669.93		
H1N1 Grant	112,874.00	112,874.00	112,874.00		
2010 Challenge Grant - Sidewalk Installation (N.J.S.A. 40A: 4-87+\$25,000.00)		25,000.00	25,000.00		
Child Passenger Safety	5,500.00	5,500.00	5,500.00		
Homeland Security Preparedness	412,783.00	412,783.00	412,783.00		
Youth Development Program	5,000.00	5,000.00	5,000.00		
JAG Program	10,800.00	10,800.00	10,800.00		
2010 CARS - E - Shopping Mall (N.J.S.A. 40A: 4-87+\$291,104.00)		291,104.00	291,104.00		
Emergency Management	5,000.00	5,000.00	5,000.00		
<b>TOTAL FOR STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES</b>	<b>\$ 1,629,744.11</b>	<b>\$ 2,299,105.48</b>	<b>\$ 2,232,283.72</b>	<b>\$ 66,821.76</b>	<b>\$</b>
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>\$ 1,743,486.11</b>	<b>\$ 2,412,847.48</b>	<b>\$ 2,346,025.72</b>	<b>\$ 66,821.76</b>	<b>\$</b>

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER	PAID OR	RESERVED	BALANCE
		MODIFICATION	CHARGED		CANCELED
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$	\$
Improvement of Municipal Complex	182,000.00	182,000.00	182,000.00		
Finance - Computer Equipment	25,000.00	25,000.00	10,102.19	14,897.81	
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>\$ 407,000.00</b>	<b>\$ 407,000.00</b>	<b>\$ 392,102.19</b>	<b>\$ 14,897.81</b>	<b>\$</b>
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>					
Payment of Bond Principal	\$ 1,115,000.00	\$ 1,115,000.00	\$ 1,115,000.00	\$	\$
Payment of Bond Anticipation Notes	403,040.00	403,040.00	400,000.00		3,040.00
Interest on Bonds	1,011,576.00	1,011,576.00	1,011,575.89		0.11
Interest on Notes	460,000.00	460,000.00	453,013.87		6,986.13
Green Acres Loan Principle	116,575.00	116,575.00	116,574.09		0.91
Green Acres Loan Interest	22,813.00	22,813.00	22,812.66		0.34
Payment of NJEIT Principal	53,775.00	53,775.00	53,774.08		0.92
Payment of NJEIT Interest	19,325.00	19,325.00	18,210.39		1,114.61
Improvement Authority	242,812.00	242,812.00	238,735.02		4,076.98
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>\$ 3,444,716.00</b>	<b>\$ 3,444,716.00</b>	<b>\$ 3,429,496.00</b>	<b>\$</b>	<b>\$ 15,220.00</b>
<b>DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>					
Various Ordinances	\$ 114,835.13	\$ 114,835.13	\$ 114,835.13	\$	\$
<b>TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>	<b>\$ 114,835.13</b>	<b>\$ 114,835.13</b>	<b>\$ 114,835.13</b>	<b>\$</b>	<b>\$</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>\$ 5,710,037.24</b>	<b>\$ 6,379,398.61</b>	<b>\$ 6,282,459.04</b>	<b>\$ 81,719.57</b>	<b>\$ 15,220.00</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 35,291,357.60</b>	<b>\$ 36,080,718.97</b>	<b>\$ 34,877,083.46</b>	<b>\$ 1,168,415.51</b>	<b>\$ 15,220.00</b>
<b>RESERVE FOR UNCOLLECTED TAXES</b>	<b>\$ 2,000,000.00</b>	<b>\$ 2,000,000.00</b>	<b>\$ 2,000,000.00</b>	<b>\$</b>	<b>\$</b>
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 37,291,357.60</b>	<b>\$ 38,080,718.97</b>	<b>\$ 36,877,083.46</b>	<b>\$ 1,168,415.51</b>	<b>\$ 15,220.00</b>
<b>REF</b>	A-2:A-3	A-3	A-1:A-3	A:A-1	
Budget	A-3	\$ 37,291,357.60			
Emergency - N.J.S.A. 40A:4-46	A-31	100,000.00			
Appropriation by 40A:4-87	A-2	669,361.37			
	A-3	<b>\$ 38,060,718.97</b>			
Reserve for Accounts Payable	A-11		\$ 466,418.35		
Reserve for Grants Appropriated	A-23		1,447,292.25		
Reserve for Uncollected Taxes	A-2		2,000,000.00		
Disbursements (net of refunds)	A-4		32,963,372.86		
	A-3		<b>\$ 36,877,083.46</b>		

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

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TRUST FUND

"B"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>
Assessment Fund:			
Cash	B-2:B-5	\$ 43,834.42	\$ 36,014.42
Assessments Receivable	B-3	87,088.60	87,088.60
Due Current Fund	B-10		7,820.00
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	\$ 23,198.74	\$ 44,406.15
Due Current Fund	B-17		5.00
		<u>\$ 23,198.74</u>	<u>\$ 44,411.15</u>
Other Funds:			
Cash	B-2	\$ 25,448,748.41	\$ 27,182,402.23
Due Current Fund	B-18	747,015.62	603,166.44
Due General Capital Fund	B-6	500,000.00	
		<u>\$ 26,695,764.03</u>	<u>\$ 27,785,568.67</u>
		<u>\$ 27,258,748.98</u>	<u>\$ 28,369,766.03</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Assessment Overpayments	B-7	\$ 1,000.00	\$ 1,000.00
Reserve for Assessments and Liens	B-11	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-15	\$ 5.40	\$
Reserve For Expenditures	B-14	22,756.34	13,538.15
Accounts Payable	B-16	437.00	30,873.00
		<u>\$ 23,198.74</u>	<u>\$ 44,411.15</u>
Other Funds:			
Accounts Payable	B-9	\$ 4,751,980.42	\$ 75,971.49
Reserve for State Unemployment Insurance	B-8	6,999.80	26,209.17
Reserve for Various Trust Deposits	B-13	10,539,514.59	10,918,519.42
Reserve for Municipal Open Space Trust Deposits	B-12	11,397,269.22	16,764,868.59
		<u>\$ 26,695,764.03</u>	<u>\$ 27,785,568.67</u>
		<u>\$ 27,258,748.98</u>	<u>\$ 28,369,766.03</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 - STATUTORY BASIS

REF.

Balance, December 31, 2009  
and December 31, 2010

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 WATER  
GENERAL CAPITAL FUND  
BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 234,428.26	\$ 1,376,824.14
Deferred Charges to Future Taxation:			
Funded	C-5	19,984,650.95	17,974,897.65
Unfunded	C-6	<u>38,932,044.69</u>	<u>46,607,096.03</u>
		<u>\$ 59,151,123.90</u>	<u>\$ 66,470,803.31</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-11	\$ 36,942,000.00	\$ 15,557,000.00
Bond Anticipation Notes	C-12	6,600,000.00	27,000,000.00
Green Acres Loans Payable	C-15	1,043,058.34	1,159,632.43
Infrastructure Loan Payable	C-13	645,916.01	699,690.09
Improvement Authority Loans Payable	C-17	301,070.34	558,575.13
Capital Improvement Fund	C-7	169,453.30	159,323.30
Due Open Space Trust Fund	C-10	500,000.00	
Improvement Authorizations:			
Funded	C-9	644,433.87	2,390,325.47
Unfunded	C-6:C-9	7,938,754.27	10,949,562.21
Reserve for:			
Capital Projects	C-4	1,638,508.75	1,456,508.75
Debt Service	C-14	252,317.66	389,740.00
Contracts Payable	C-16	2,139,456.12	5,310,225.27
Fund Balance	C-1	<u>336,155.24</u>	<u>328,235.17</u>
		<u>\$ 59,151,123.90</u>	<u>\$ 66,470,803.31</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 - STATUTORY BASIS

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 328,235.17
Increased by:		
Authorizations Canceled	C-9	<u>137,920.07</u>
		466,155.24
Decreased by-		
Utilized as Anticipated Revenue Current Fund	C-2	<u>130,000.00</u>
Balance, December 31, 2010	C	<u><u>\$ 336,155.24</u></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 - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>BALANCE DECEMBER 31, 2009</u>
<b>OPERATING FUND:</b>			
Cash	D-6	\$ 4,780,728.94	\$ 3,109,404.01
Change Fund	D-9	100.00	100.00
Interfund Accounts Receivable	D-11	<u>1,773.38</u>	<u>28,009.08</u>
		<u>\$ 4,782,602.32</u>	<u>\$ 3,137,513.09</u>
Receivables with Full Reserves:			
Sewer Charges Receivable	D-14	\$ 356,896.54	\$ 616,823.47
Sewer Utility Liens	D-28	<u>874.18</u>	<u>475.18</u>
	D	<u>\$ 357,770.72</u>	<u>\$ 617,298.65</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 5,140,373.04</u>	<u>\$ 3,754,811.74</u>
<b>ASSESSMENT TRUST FUND:</b>			
Cash	D-6:D-7	\$ 11,432.42	\$ 11,432.42
Assessments Receivable	D-18	53,975.86	53,975.86
Prospective Assessments Funded	D-21	<u>941,462.58</u>	<u>941,462.58</u>
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 1,006,870.86</u>	<u>\$ 1,006,870.86</u>
<b>CAPITAL FUND - REGULAR:</b>			
Cash	D-6:D-8	\$ 287,878.77	\$ 222,023.10
EIT Loan Receivable	D-33	341,779.00	
Due Sewer Operating Fund	D-32	16,796.77	
Fixed Capital	D-17	14,461,212.00	14,461,212.00
Fixed Capital Authorized and Uncompleted	D-16	<u>2,834,500.00</u>	<u>2,834,500.00</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 17,942,166.54</u>	<u>\$ 17,517,735.10</u>
	D	<u>\$ 24,089,410.44</u>	<u>\$ 22,279,417.70</u>

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>BALANCE DECEMBER 31, 2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
OPERATING FUND:			
Liabilities:			
Interfund Account Payable	D-11	\$ 16,796.77	\$
Appropriation Reserves	D-5:D-20	1,321,843.72	1,401,668.32
Accounts Payable	D-19	177,429.80	261,315.41
Sewer Overpayments	D-22	65,752.15	77,184.92
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	10,762.12	8,824.98
Accrued Interest on Bonds	D-12	34,570.61	35,073.13
Accrued Interest on Loans	D-34	3,125.00	
		<u>\$ 1,655,018.23</u>	<u>\$ 1,808,804.82</u>
Reserve for Receivables	D	357,770.72	617,298.65
Fund Balance	D-1	<u>3,127,584.09</u>	<u>1,328,708.27</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 5,140,373.04</u>	<u>\$ 3,754,811.74</u>
ASSESSMENT TRUST FUND:			
Due Sewer Operating Fund	D-23	\$ 39.76	\$ 39.76
Reserve for Assessments and Liens	D-15	995,438.44	995,438.44
		<u>\$ 995,478.20</u>	<u>\$ 995,478.20</u>
Fund Balance	D-2	<u>11,392.66</u>	<u>11,392.66</u>
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 1,006,870.86</u>	<u>\$ 1,006,870.86</u>

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>BALANCE DECEMBER 31, 2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)</u>			
CAPITAL FUND - REGULAR:			
Liabilities:			
Serial Bonds Payable	D-30	\$ 1,024,000.00	\$ 1,119,000.00
EIT Loan Payable	D-31	695,567.48	
Improvement Authorizations:			
Funded	D-29	262,183.07	162,542.25
Unfunded	D-29	587,749.57	832,548.12
Contracts Payable	D-26	364,816.53	509,060.36
Reserve for Amortization	D-25	13,481,871.65	13,368,606.13
Deferred Reserve for Amortization	D-24	1,456,450.00	1,456,450.00
		<u>\$ 17,872,638.30</u>	<u>\$ 17,448,206.86</u>
Fund Balance	D-3	<u>69,528.24</u>	<u>69,528.24</u>
		<u>\$ 17,942,166.54</u>	<u>\$ 17,517,735.10</u>
<u>TOTAL CAPITAL FUND</u>	D		
	D	<u>\$ 24,089,410.44</u>	<u>\$ 22,279,417.70</u>

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

"D-1"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>BALANCE DECEMBER 31, 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance	D-1:D-4	\$ 413,307.00	\$ 287,261.81
Sewer Use Charges	D-4	10,006,488.40	9,288,533.32
Additional Sewer Charges			17,398.42
Connection Fees	D-4:D-13	93,500.00	109,600.00
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	19,760.84	19,495.33
Miscellaneous Revenue Not Anticipated	D-4:D-6	156,973.67	96,701.94
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-20	1,141,692.15	713,480.58
Accounts Payable Canceled	D-19	121,026.73	
		<u>\$ 12,046,099.13</u>	<u>\$ 10,625,821.74</u>
<u>EXPENDITURES</u>			
Operating	D-5	\$ 9,443,816.79	\$ 9,414,850.68
Capital Improvements	D-5	82,000.00	
Debt Service	D-5	164,661.52	200,739.75
Deferred Charges and Statutory Expenditures	D-5	143,438.00	123,124.81
		<u>\$ 9,833,916.31</u>	<u>\$ 9,738,715.24</u>
Excess to Fund Balance		\$ 2,212,182.82	\$ 887,106.50
Balance, January 1	D	1,328,708.27	728,863.58
		<u>\$ 3,540,891.09</u>	<u>\$ 1,615,970.08</u>
Decreased by:			
Utilization by Sewer Operating Budget	D-1	413,307.00	287,261.81
Fund Balance, December 31	D	<u>\$ 3,127,584.09</u>	<u>\$ 1,328,708.27</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-STATUTORY BASIS

	<u>REF.</u>	
Balance, December 31, 2009 and December 31, 2010	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-STATUTORY BASIS

	<u>REF.</u>	
Balance, December 31, 2009 and December 31, 2010	D	\$ <u>69,528.24</u>

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

"D-4"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF REVENUES - STATUTORY BASIS

YEAR ENDED DECEMBER 31, 2010

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	D-1	\$ 413,307.00	\$ 413,307.00	\$
Sewer Use Charges	D-1	9,288,258.97	10,006,488.40	718,229.43
Connection Fees	D-1:D-13	20,000.00	93,500.00	73,500.00
Interest on Investments and Deposits	D-1:D-6	19,000.00	19,760.84	760.84
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	<u>73,350.34</u>	<u>73,350.34</u>	
<u>BUDGET TOTALS</u>	D-5	\$ 9,833,916.31	\$ 10,626,406.58	\$ 792,490.27
Non - Budget Revenue	D-1:D-4:D-6		<u>156,973.67</u>	<u>156,973.67</u>
		\$ <u>9,833,916.31</u>	\$ <u>10,783,380.25</u>	\$ <u>949,463.94</u>

ANALYSIS OF NON-BUDGET REVENUE:

Miscellaneous:				
Interest on Sewer Charges			\$ 156,565.64	
Miscellaneous			<u>408.03</u>	
	D-1:D-4:D-6		\$ <u>156,973.67</u>	

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



TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<b>OPERATING:</b>				
Salaries and Wages	\$ 1,495,928.97	\$ 1,555,928.97	\$ 1,513,852.14	\$ 42,076.83
Other Expenses	1,939,207.50	1,879,207.50	1,829,698.99	49,508.51
Somerset Raritan Valley Sewerage Authority	6,008,680.32	6,008,680.32	4,861,931.16	1,146,749.16
<b><u>TOTAL OPERATING</u></b>	<b>\$ 9,443,816.79</b>	<b>\$ 9,443,816.79</b>	<b>\$ 8,205,482.29</b>	<b>\$ 1,238,334.50</b>
<b>CAPITAL IMPROVEMENTS:</b>				
Purchase of Sewer Truck	\$ 82,000.00	\$ 82,000.00	\$ 77,881.00	\$ 4,119.00
<b><u>TOTAL CAPITAL IMPROVEMENTS</u></b>	<b>\$ 82,000.00</b>	<b>\$ 82,000.00</b>	<b>\$ 77,881.00</b>	<b>\$ 4,119.00</b>
<b>DEBT SERVICE:</b>				
Payment of Bond Principal	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00	\$
Interest on Bonds	43,548.00	43,548.00	43,548.00	
NJEITF Principal	18,265.52	18,265.52	18,265.52	
NJEITF Interest	7,848.00	7,848.00	7,848.00	
<b><u>TOTAL DEBT SERVICE</u></b>	<b>\$ 164,661.52</b>	<b>\$ 164,661.52</b>	<b>\$ 164,661.52</b>	<b>\$</b>
<b>STATUTORY EXPENDITURES:</b>				
Statutory Expenditures:				
Social Security	\$ 118,129.00	\$ 118,129.00	\$ 38,738.78	\$ 79,390.22
Unemployment Compensation Insurance	25,309.00	25,309.00	25,309.00	
<b><u>TOTAL STATUTORY EXPENDITURES</u></b>	<b>\$ 143,438.00</b>	<b>\$ 143,438.00</b>	<b>\$ 64,047.78</b>	<b>\$ 79,390.22</b>
	<b>\$ 9,833,916.31</b>	<b>\$ 9,833,916.31</b>	<b>\$ 8,512,072.59</b>	<b>\$ 1,321,843.72</b>
<u>REF.</u>	D-4		D-1	D:D-1
Disbursements	D-6		\$ 8,328,863.58	
Accrued Interest on Bonds	D-12		43,548.00	
Accrued Interest on Loans	D-34		7,848.00	
Accounts Payable	D-19		131,813.01	
			<b>\$ 8,512,072.59</b>	

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

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PUBLIC ASSISTANCE TRUST FUND

"E"

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

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>A S S E T S</u>			
Cash - Public Assistance Trust Fund I	E-1	\$ 5,146.30	\$ 6,462.53
Cash - Public Assistance Trust Fund II	E-1	<u>136,004.14</u>	<u>100,436.22</u>
		<u>\$ 141,150.44</u>	<u>\$ 106,898.75</u>
<u>LIABILITIES</u>			
Reserve for Public Assistance Trust Fund I		\$ 5,146.30	\$ 6,462.53
Reserve for Public Assistance Trust Fund II		<u>136,004.14</u>	<u>100,436.22</u>
		<u>\$ 141,150.44</u>	<u>\$ 106,898.75</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 - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
FIXED ASSETS		
Land	\$ 97,012,838.00	\$ 96,917,138.00
Buildings	22,877,719.00	23,831,919.00
Machinery and Equipment	<u>10,889,983.00</u>	<u>10,727,130.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 130,780,540.00</u>	<u>\$ 131,476,187.00</u>
RESERVE		
Investments in General Fixed Assets	<u>\$ 130,780,540.00</u>	<u>\$ 131,476,187.00</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, 2010 AND 2009

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, 2010:

<u>Fund</u>	<u>Cash In Bank</u>	<u>Change Fund</u>	<u>Total</u>
Current Fund	\$ 9,672,892.50	\$ 410.00	\$ 9,673,302.50
Grant Fund	236,273.01		236,273.01
Assessment Trust Fund	43,834.42		43,834.42
Animal Control Trust Fund	23,198.74		23,198.74
Other Trust Fund	25,448,748.41		25,448,748.41
General Capital Fund	234,428.26		234,428.26
Sewer Operating Fund	4,780,728.94	100.00	4,780,828.94
Sewer Assessment Trust Fund	11,432.42		11,432.42
Sewer Capital Fund	287,878.77		287,878.77
Public Assistance Trust Fund	<u>141,150.44</u>		<u>141,150.44</u>
<u>Total December 31, 2010</u>	<u>\$ 40,880,565.91</u>	<u>\$ 510.00</u>	<u>\$ 40,881,075.91</u>

Custodial Credit Risk – 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, 2010, 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 \$39,380,565.91 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.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash management Fund, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

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 0.66%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 49,328,259.91	\$ 49,328,259.91	\$
Sewer Utility Debt	2,357,390.35	2,357,390.35	
General Debt	<u>65,215,625.30</u>	<u>246,153.30</u>	<u>64,969,472.00</u>
	<u>\$ 116,901,275.56</u>	<u>\$ 51,931,803.56</u>	<u>\$ 64,969,472.00</u>

Net debt of \$64,969,472.00 divided by equalized valuation basis per N.J.S.40A:2-2, as amended, of \$9,776,846,019.67 equals 0.66%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2010</u>	<u>YEAR 2009</u>	<u>YEAR 2008</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 45,926,541.83	\$ 44,275,207.56	\$ 36,706,777.08
Assessment:			
Bonds and Notes			170,000.00
Sewer Utility:			
Bonds and Notes	<u>1,024,000.00</u>	<u>1,119,000.00</u>	<u>1,270,000.00</u>
Total Issued	<u>\$ 46,950,541.83</u>	<u>\$ 45,394,207.56</u>	<u>\$ 38,146,777.08</u>
Less:			
Accounts Receivable from Other Public Authorities Applicable to Payment of Debt	\$	\$	\$ 163,982.00
Estimated Proceeds of Bonds and Notes - Reserve for Debt Service Funds Temporarily Held to Pay Bonds and Notes: Assessment Cash	246,153.30	389,740.00	<u>0.18</u>
Total Deductions	<u>\$ 246,153.30</u>	<u>\$ 389,740.00</u>	<u>\$ 163,982.18</u>
Net Debt Issued	<u>\$ 46,704,388.53</u>	<u>\$ 45,004,467.56</u>	<u>\$ 37,982,794.90</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	\$ 19,984,650.95	\$ 19,607,096.03	\$ 27,965,882.30
Sewer Utility:			
Bonds and Notes	<u>637,822.87</u>	<u>1,351,655.87</u>	<u>51,655.87</u>
Total Authorized But Not Issued	<u>\$ 20,622,473.82</u>	<u>\$ 20,958,751.90</u>	<u>\$ 28,017,538.17</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 67,326,862.35</u>	<u>\$ 65,963,219.46</u>	<u>\$ 66,000,333.07</u>

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

Equalized Valuation Basis* - December 31, 2010	<u>\$ 9,776,846,019.67</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 342,189,610.69
Net Debt	<u>64,969,472.00</u>
Remaining Borrowing Power	<u>\$ 277,220,138.69</u>

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



NOTE 3: LONG-TERM DEBT (CONTINUED)

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

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 10,099,988.40
Deductions:		
Operating and Maintenance Cost	\$ 9,669,254.79	
Debt Service per Sewer Account	<u>164,661.52</u>	
Total Deductions		<u>9,833,916.31</u>
Excess in Revenue		<u>\$ 266,072.09</u>
Long-Term Debt Obligations:		
General Serial Bonds:		
\$11,145,000.00 General Obligation Bonds of 2003 due in annual installments of \$400,000.00 to \$635,000.00 through 2022 at a variable interest rate		\$7,675,000.00
\$7,992,000.00 General Obligation Bonds of 2007 due in annual installments of \$375,000.00 to \$700,000.00 through 2022 at a variable interest rate		6,867,000.00
\$22,500,000.00 County Guaranteed Governmental Loan Revenue Bonds of 2010 due in annual installments of \$100,000.00 to \$1,100,000.00 through 2035 at a variable Interest rate		<u>22,400,000.00</u>
		<u>\$36,942,000.00</u>
Sewer Utility Serial Bonds:		
\$901,000.00 General Obligation Bonds of 2003 due in annual installments of \$35,000.00 to \$60,000.00 through 2022 at a variable interest rate		\$596,000.00
\$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>428,000.00</u>
		<u>\$1,024,000.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Improvement Authority Loans:

\$74,344.59 Improvement Authority Loan of 2006 due in monthly installments through 2011 at an interest rate of 4.01%	\$ 16,111.15
\$44,541.00 Improvement Authority Loan of 2008 due in monthly installments through 2012 at an interest rate of 3.27%	19,421.44
\$148,056.22 Improvement Authority Loan of 2008 due in monthly installments through 2011 at an interest rate of 2.972%	4,293.19
\$53,408.80 Improvement Authority Loan of 2008 due in monthly installments through 2013 at an interest rate of 3.34%	33,291.36
\$208,648.83 Improvement Authority Loan of 2008 due in monthly installments through 2011 at an interest rate of 2.91%	77,926.87
\$77,246.82 Improvement Authority Loan of 2009 due in monthly installments through 2014 at an interest rate of 2.75%	32,433.91
\$181,000.08 Improvement Authority Loan of 2009 due in monthly installments through 2012 at an interest rate of 2.74%	<u>123,592.42</u>
	<u>\$301,070.34</u>

New Jersey Environmental Infrastructure Loans:

\$528,286.00 2001A Fund Loan Agreement of 2001 due in semi-annual installments of \$616.70 to \$27,199.86 through 2021	\$290,916.01
\$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>355,000.00</u>
	<u>\$645,916.01</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%	\$32,767.70
\$412,300.00 Harry Ally Park Addition Loan of 1998 due in semi-annual installments of \$13,898.40 to \$15,817.67 through 2012 at an interest rate of 2.00%	62,337.19

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Green Trust Loans (Continued):

\$500,000.00 Prince Rodgers Park Loan of 2002 due in semi-annual installments of \$11,306.52 to \$15,391.88 through 2021 at an interest rate of 2.00%	\$305,636.28
\$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%	244,989.87
\$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%	244,509.01
\$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>152,818.29</u>
	<u>\$1,043,058.34</u>

Bond Anticipation Notes:

\$6,600,000.00 Bond Anticipation Note in the General Capital Fund, issued 8/12/10 and maturing 8/11/11, at an interest rate of 2.00%

Bonds and Notes Authorized but not Issued:

There is \$19,984,650.95 General Capital and \$637,822.87 Sewer Capital Bonds and Notes Authorized but not Issued at December 31, 2010.

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING AT DECEMBER 31, 2010

<u>YEAR</u>	<u>GENERAL</u>		<u>SEWER UTILITY</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2011	\$1,340,000.00	\$1,375,792.50	\$95,000.00	\$40,468.25
2012	1,690,000.00	1,330,892.50	95,000.00	36,968.25
2013	1,765,000.00	1,277,930.00	95,000.00	33,424.50
2014	1,840,000.00	1,222,936.25	95,000.00	29,880.75
2015	1,915,000.00	1,163,361.25	95,000.00	26,262.00
2016	1,990,000.00	1,100,830.00	95,000.00	22,568.25
2017	2,065,000.00	4,200,478.50	95,000.00	18,724.50
2018	2,140,000.00	953,723.75	95,000.00	14,880.75
2019	2,240,000.00	875,733.75	97,000.00	10,977.00
2020	2,315,000.00	790,947.50	93,000.00	6,930.75
2021	2,315,000.00	703,505.00	37,000.00	
2022	2,302,000.00	612,985.00	37,000.00	
2023	975,000.00	522,375.00		
2024	975,000.00	483,375.00		
2025	975,000.00	444,375.00		
2026	1,000,000.00	405,375.00		
2027	1,000,000.00	365,375.00		
2028	1,000,000.00	325,375.00		
2029	1,000,000.00	285,375.00		
2030	1,000,000.00	245,375.00		
2031	1,000,000.00	205,375.00		
2032	1,000,000.00	165,375.00		
2033	1,000,000.00	125,375.00		
2034	1,000,000.00	85,375.00		
2035	1,100,000.00	45,375.00		
	<u>\$36,942,000.00</u>	<u>\$19,312,991.00</u>	<u>\$1,024,000.00</u>	<u>\$241,085.00</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS  
AND OUTSTANDING AT DECEMBER 31, 2010

<u>Payment Date</u>	<u>Fund Loan</u>	<u>Trust Loan</u>		<u>Total</u>
	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>	
2/1/11	\$5,826.22		\$8,975.00	\$8,975.00
8/1/11	22,055.26	\$25,000.00	8,975.00	33,975.00
2/1/12	5,379.92		8,287.50	8,287.50
8/1/12	21,608.96	25,000.00	8,287.50	33,287.50
2/1/13	4,933.62		7,600.00	7,600.00
8/1/13	24,408.47	30,000.00	7,600.00	37,600.00
2/1/14	4,398.06		6,775.00	6,775.00
8/1/14	23,872.91	30,000.00	6,775.00	36,775.00
2/1/15	3,911.19		6,025.00	6,025.00
8/1/15	23,386.04	30,000.00	6,025.00	36,025.00
2/1/16	3,424.32		5,275.00	5,275.00
8/1/16	22,899.17	30,000.00	5,275.00	35,275.00
2/1/17	2,937.45		4,525.00	4,525.00
8/1/17	25,658.10	35,000.00	4,525.00	39,525.00
2/1/18	2,369.43		3,650.00	3,650.00
8/1/18	25,090.09	35,000.00	3,650.00	38,650.00
2/1/19	1,801.42		2,775.00	2,775.00
8/1/19	24,522.07	35,000.00	2,775.00	37,775.00
2/1/20	1,233.40		1,900.00	1,900.00
8/1/20	27,199.86	40,000.00	1,900.00	41,900.00
2/1/21	616.70		950.00	950.00
8/1/21	13,383.35	40,000.00	950.00	40,950.00
	<u>\$290,916.01</u>	<u>\$355,000.00</u>	<u>\$113,475.00</u>	<u>\$468,475.00</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT  
DECEMBER 31, 2010

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>	
2011	\$25,103.77	\$5,987.83	\$21,189.62	\$4,794.38	\$57,075.60
2012	25,608.35	5,483.25	21,615.52	4,368.46	57,075.58
2013	26,123.07	4,968.52	22,050.00	3,934.00	57,075.59
2014	26,648.15	4,443.44	22,493.21	3,490.79	57,075.59
2015	27,183.78	3,907.82	22,945.32	3,038.68	57,075.60
2016	27,730.18	3,361.42	23,406.52	2,577.47	57,075.59
2017	28,287.55	2,804.05	23,876.99	2,107.01	57,075.60
2018	28,856.13	2,235.46	24,356.92	1,627.08	57,075.59
2019	29,436.13	1,655.45	24,846.49	1,137.50	57,075.57
2020	30,027.81	1,063.79	25,345.90	638.08	57,075.58
2021	30,631.36	460.23	12,863.38	128.62	44,083.59
	<u>\$305,636.28</u>	<u>\$36,371.26</u>	<u>\$244,989.87</u>	<u>\$27,842.07</u>	<u>\$614,839.48</u>

Alfred S. Brown Park Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$20,083.01	\$4,790.26	\$24,873.27
2012	20,486.68	4,386.60	24,873.28
2013	20,898.46	3,974.81	24,873.27
2014	21,318.52	3,554.76	24,873.28
2015	21,747.03	3,126.25	24,873.28
2016	22,184.13	2,689.15	24,873.28
2017	22,630.04	2,243.23	24,873.27
2018	23,084.91	1,788.37	24,873.28
2019	23,548.91	1,324.36	24,873.27
2020	24,022.24	851.03	24,873.27
2021	24,505.08	368.20	24,873.28
	<u>\$244,509.01</u>	<u>\$29,097.02</u>	<u>\$273,606.03</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT  
DECEMBER 31, 2010 (CONTINUED)

YMCA Land Acquisition Loan:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4/16/11	\$6,244.72	\$1,528.18	\$7,772.90
10/16/11	6,307.17	1,465.73	7,772.90
4/16/12	6,370.24	1,402.66	7,772.90
10/16/12	6,433.94	1,338.96	7,772.90
4/16/13	6,498.28	1,274.62	7,772.90
10/16/13	6,563.26	1,209.64	7,772.90
4/16/14	6,628.89	1,144.01	7,772.90
10/16/14	6,695.18	1,077.72	7,772.90
4/16/15	6,762.14	1,010.76	7,772.90
10/16/15	6,829.76	943.14	7,772.90
4/16/16	6,898.05	874.85	7,772.90
10/16/16	6,967.03	805.87	7,772.90
4/16/17	7,036.71	736.19	7,772.90
10/16/17	7,107.07	665.83	7,772.90
4/16/18	7,178.14	594.76	7,772.90
10/16/18	7,249.92	522.98	7,772.90
4/16/19	7,322.42	450.48	7,772.90
10/16/19	7,395.65	377.25	7,772.90
4/16/20	7,469.60	303.30	7,772.90
10/16/20	7,544.30	228.60	7,772.90
4/16/21	7,619.74	153.16	7,772.90
10/16/21	7,696.08	76.82	7,772.90
	<u>\$152,818.29</u>	<u>\$18,185.51</u>	<u>\$171,003.80</u>

Tullo Road Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$9,130.49	\$609.93	\$9,740.42
2012	9,314.01	426.40	9,740.41
2013	9,501.23	239.19	9,740.42
2014	4,821.97	48.23	4,870.20
	<u>\$32,767.70</u>	<u>\$1,323.75</u>	<u>\$34,091.45</u>

Harry Ally Park Loan:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$30,858.48	\$1,093.22	\$31,951.70
2012	31,478.71	472.99	31,951.70
	<u>\$62,337.19</u>	<u>\$1,566.21</u>	<u>\$63,903.40</u>

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2010

Year	2006 Loan - 36 Months		2006 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2011			\$16,111.15	\$352.13	\$16,463.28
	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$16,111.15</u>	<u>\$352.13</u>	<u>\$16,463.28</u>

Year	2008 Loan - 36 Months		2008 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2011	4,293.19	10.63	9,157.48	498.64	13,959.94
2012			9,461.47	194.65	9,656.12
2013			802.49	2.19	804.68
	<u>\$4,293.19</u>	<u>\$10.63</u>	<u>\$19,421.44</u>	<u>\$695.48</u>	<u>\$24,420.74</u>

Year	2008 Loan - 36 Months		2008 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2011	\$71,926.87	\$1,138.85	\$10,729.12	\$948.68	\$84,743.52
2012			11,093.00	584.80	11,677.80
2013			11,469.24	208.56	11,677.80
	<u>\$71,926.87</u>	<u>\$1,138.85</u>	<u>\$33,291.36</u>	<u>\$1,742.04</u>	<u>\$108,099.12</u>

Year	2009 Loan - 36 Months		2009 Loan - 60 Months		Total
	Principal	Interest	Principal	Interest	
2011	\$60,949.53	\$2,628.15	\$7,777.56	\$794.40	\$72,149.64
2012	62,642.89	934.79	7,994.17	577.79	72,149.64
2013			8,216.83	355.13	8,571.96
2014			8,445.35	126.61	8,571.96
	<u>\$123,592.42</u>	<u>\$3,562.94</u>	<u>\$32,433.91</u>	<u>\$1,853.93</u>	<u>\$161,443.20</u>



NOTE 4: FUND BALANCES APPROPRIATED

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

Current Fund	\$3,116,859.31
Sewer Utility Fund	\$ 308,352.10

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 31, 2010	BALANCE DECEMBER 31, 2009
Prepaid Taxes	<u>\$867,565.85</u>	<u>\$714,837.24</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 \$2,796,369.00 for 2010, \$2,634,068.00 for 2009 and \$2,003,212.00 for 2008. The Township's share for DCRP amounted to \$1,035.33 for 2010 and \$782.46 for 2009.

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

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

NOTE 7: COMPENSATED ABSENCES

The Township of Bridgewater permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$2,508,907.62. 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, 2010.

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, 2010, 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 2010 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 \$701,001.88 at December 31, 2010.

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.

NOTE 11: RISK MANAGEMENT (CONTINUED)

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>Interest on Deposits</u>	<u>Township and Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ 44.95	\$ 110,156.16	\$ 129,410.48	\$ 6,999.80
2009	90.70	26,626.23	30,752.69	26,209.17
2008	414.18	31,309.80	25,533.00	30,244.93

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 \$104,742.00 for the program in 2010.

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, 2010:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 31,263.23	\$ 748,749.24
Grant Fund		31,263.23
Trust Other Fund	1,247,015.62	
General Capital Fund		500,000.00
Sewer Utility Operating Fund	1,773.38	16,796.77
Sewer Assessment Trust Fund		39.76
Sewer Capital Fund	<u>16,796.77</u>	
	<u>\$ 1,296,849.00</u>	<u>\$ 1,296,849.00</u>

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

NOTE 14: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

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

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

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

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

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

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

Plan Description

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

SUMMARY OF RETIREE BENEFITS

A. Plan Overview

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

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

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

A. Plan Overview (Continued)

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

ELIBIGILITY 25 Years of Service

DEPENDENT ELIGIBILITY Yes

SUPERVISOR ELIGIBILITY Yes, see below

BENEFITS All Employees

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

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

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

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

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

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

A. Plan Overview (Continued)

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

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

Present Value of Future Benefits

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

Actuarial Accrued Liability

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

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

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

B. Liabilities and Normal Cost

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

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

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

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

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

C. Demographic Information

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

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



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

D. Assets

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

Assets

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

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

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

The employer has made premium payments to an insurer.

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

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

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

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

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

E. Economic Assumptions

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

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

E. Economic Assumptions (Continued)

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

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

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

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

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

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

TOWNSHIP OF BRIDGEWATER  
SUPPLEMENTARY SCHEDULES – ALL FUNDS  
YEAR ENDED DECEMBER 31, 2010

## TOWNSHIP OF BRIDGEWATER

## CURRENT FUND

## SCHEDULE OF CASH - COLLECTOR-TREASURER

	REF.	CURRENT FUND	GRANT FUND
Balance, December 31, 2009	A	\$ 10,310,842.92	\$ 283,125.59
Increased by Receipts:			
Taxes Receivable	A-8	\$ 162,158,121.93	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	382,620.92	
Tax Title Liens	A-9	2,058.01	
Interfunds	A-12	148,471.68	
Due Current Fund	A-30		36,924.58
Petty Cash	A-5	1,000.00	
Revenue Accounts Receivable	A-13	13,058,054.39	
Miscellaneous Revenue Not Anticipated	A-2	323,134.17	
Tax Overpayments	A-17	341,438.20	
Prepaid Taxes	A-18	867,565.85	
Grants-Appropriated - Match	A-23		120,789.00
Grants - Unappropriated	A-24		35,656.33
Grants Receivable	A-25		992,277.46
Sale of Municipal Assets	A-19	226,759.85	
Construction Code DCA - Due State of NJ	A-16	81,349.00	
Marriage/Civil Union Licenses Due State of NJ	A-28	4,925.00	
Reserve for Storm Damage - FEMA	A-27	31,263.23	
		<u>177,626,762.23</u>	<u>1,185,647.37</u>
		\$ 187,937,605.15	\$ 1,468,772.96
Decreased by Disbursements:			
2010 Appropriations	A-3	\$ 32,963,372.86	\$
Appropriation Reserves	A-14	1,459,570.08	
Interfunds	A-12	78,626.87	
Petty Cash	A-5	1,000.00	
Tax Overpayments	A-17	239,561.61	
Regional School District Taxes	A-21	106,302,430.34	
County Taxes	A-20	34,880,220.34	
Special Fire District Taxes	A-22	2,169,245.00	
Municipal Open Space Taxes Payable	A-26	314.58	
Refund of:			
Fees & Permits	A-2	35.00	
Uniform Construction Code Fees	A-2	89.60	
Recreation Fees	A-2	5,258.80	
Prior Year Revenue	A-1	12,418.53	
Construction Code DCA - Due State of NJ	A-16	96,370.00	
Marriage/Civil Union Licenses Due State of NJ	A-28	4,850.00	
Reserve for Due State of NJ - Burial Permits	A-29	20.00	
Reserve for Accounts Payable	A-11	6,572.60	
Reserve for Tax Appeals	A-15	44,756.44	
Grants-Appropriated	A-23		1,232,499.95
		<u>178,264,712.65</u>	<u>1,232,499.95</u>
Balance, December 31, 2010	A	\$ <u>9,672,892.50</u>	\$ <u>236,273.01</u>

"A-5"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF PETTY CASH

<u>OFFICE</u>	<u>RECEIVED FROM TREASURER</u>	<u>RETURNED TO TREASURER</u>
Police Department	\$ 500.00	\$ 500.00
Finance Department	500.00	500.00
	<u>\$ 1,000.00</u>	<u>\$ 1,000.00</u>
<u>REF.</u>	A-4	A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2009  
and December 31, 2010

A	\$ <u>410.00</u>
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DETAIL

Tax Collector	\$ 200.00
Police	50.00
Township Clerk	50.00
Municipal Court	110.00
	<u>\$ 410.00</u>

TOWNSHIP OF BRIDGEWATERCURRENT FUNDSCHEDULE OF DUE STATE OF NEW JERSEY  
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2009 (Due From)	A		\$ 143,531.87
Increased by:			
Senior Citizens Deductions Per Tax Billing	A-7	\$ 75,250.00	
Veterans Deductions Per Tax Billing	A-7	324,500.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector	A-7	<u>6,500.00</u>	
			\$ <u>406,250.00</u>
Decreased by:			
Senior Citizens Deductions Disallowed by Collector	A-7	\$ 3,812.11	
Received From State	A-4	<u>382,620.92</u>	
			\$ <u>386,433.03</u>
Balance, December 31, 2010 (Due From)	A		\$ <u><u>163,348.84</u></u>

ANALYSIS OF STATE SHARE OF 2010 SENIOR  
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing	A-7	\$ 75,250.00	
Veterans Deductions Per Tax Billing	A-7	324,500.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector-2009 Taxes	A-7	<u>6,500.00</u>	
			\$ 406,250.00
Less:			
Deductions Disallowed by Collector	A-7		<u>3,812.11</u>
	A-8		\$ <u><u>402,437.89</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2009	2010 LEVY	ADDED TAXES	COLLECTIONS BY CASH	CANCELED	OVERPAYMENTS APPLIED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2010
				2009	2010			
2008	\$ 4,737.91		\$ 9,149.88	\$ 4,668.96	\$ 39.89	\$ 29.06	\$	\$
2009	\$ 1,546,570.44		\$ 9,149.88	\$ 1,543,563.99	\$ 5.22	\$ 3,929.73	\$ 2,970.15	\$ 5,251.23
2010	\$ 1,551,308.35	\$ 163,027,081.24	\$ 9,149.88	\$ 714,837.24	\$ 161,012,326.87	\$ 3,958.79	\$ 2,970.15	\$ 5,251.23
						\$ 61,052.34	\$ 2,255.30	\$ 1,150,653.07
	\$ 1,551,308.35	\$ 163,027,081.24	\$ 9,149.88	\$ 714,837.24	\$ 162,560,559.82	\$ 65,011.13	\$ 5,225.45	\$ 1,155,904.30
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	\$ 162,158,121.93
A-7	Senior Citizens and Veterans Deductions	\$ 402,437.89
A-8		\$ 162,560,559.82

ANALYSIS OF 2010 PROPERTY TAX LEVY

TAX YIELD	AMOUNT
General Property Tax	\$ 160,456,815.78
Added Taxes (54:4-63.1 et seq.)	402,520.46
Special Fire District Tax	2,167,745.00
	\$ 163,027,081.24

TAX LEVY

Regional School District Tax (Abstract)	\$ 106,302,430.34
County Tax (Abstract)	
County Library Tax (Abstract)	
County Open Space (Abstract)	
Due County for Added Taxes (54:4-63.1 et seq.)	\$ 34,678,989.71
Total County Taxes	\$ 85,785.74
Special Fire District Tax	34,764,775.45

Special Fire District Tax

Local Tax for Municipal Purposes (Abstract)	2,167,745.00
Municipal Open Space Tax- Added	19,460,547.00
Add: Additional Tax Levied	314.58
Local Tax for Municipal Purposes Levied	331,268.87
	19,792,130.45
	\$ 163,027,081.24

"A-9"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2009	A		\$ 109,465.18
Increased by:			
2010 Taxes Accrued	A-8	\$ 2,255.30	
2009 Taxes Accrued	A-8	<u>2,970.15</u>	
			<u>5,225.45</u>
			\$ <u>114,690.63</u>
Decreased by:			
Receipts	A-4		<u>2,058.01</u>
Balance, December 31, 2010	A		\$ <u><u>112,632.62</u></u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2009 and December 31, 2010	A		\$ <u><u>422,300.00</u></u>
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TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2009			\$ 1,172,023.87
Increased by:			
2010 Budget Appropriations	A-3	\$ 466,418.35	
2010 Grants	A-23	470,163.98	
Appropriation Reserves	A-14	<u>132,298.92</u>	
			1,068,881.25
			<u>\$ 2,240,905.12</u>
Decreased by:			
Disbursements	A-4	\$ 6,572.60	
Transferred to Appropriation Reserves	A-14	715,409.16	
Transferred to Grant Reserves	A-23	386,242.43	
Canceled	A-1	<u>25,846.65</u>	
			<u>1,134,070.84</u>
Balance, December 31, 2010			<u>\$ 1,106,834.28</u>
<u>Analysis of Balance:</u>			
Current Fund	A	\$ 636,670.30	
Grant Fund	A	<u>470,163.98</u>	
			<u>\$ 1,106,834.28</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	GRANT FUND	ASSESSMENT TRUST FUND	ANIMAL CONTROL TRUST FUND	OTHER TRUST FUND	SEWER UTILITY OPERATING FUND
Balance, December 31, 2009						
Due To	\$ 644,622.11	\$ 5,661.35	\$ 7,820.00	\$ 5.00	\$ 603,166.44	\$ 27,969.32
Receipts	\$ 148,471.68	\$	\$	\$	\$ 147,824.54	\$ 647.14
Tax Overpayments Applied	4,519.09					4,519.09
Transfer	(1,500.00)				(1,500.00)	
Disbursements	78,626.87	36,924.58	7,820.00	5.00	2,475.36	31,401.93
Balance, December 31, 2010	\$ 748,749.24				\$ 747,015.62	\$ 1,733.62
Due To	31,263.23	\$ 31,263.23				
Due From						

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>ACCRUED IN 2010</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2010</u>
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 86,282.00	\$ 86,282.00	\$
Other	A-2		32,081.00	32,081.00	
Fees and Permits	A-2		243,122.71	243,122.71	
Municipal Court:					
Fines and Costs	A-2	52,142.63	758,525.20	754,194.00	56,473.83
Interest and Costs on Taxes	A-2		394,017.85	394,017.85	
Interest on Investments and Deposits	A-2		106,203.36	106,203.36	
Recreation Fees	A-2		121,121.00	121,121.00	
Consolidated Municipal Property Tax Relief Aid	A-2		623,764.00	623,764.00	
Energy Receipts Tax	A-2		5,276,415.00	5,276,415.00	
Garden State Trust Fund	A-2		4,082.00	4,082.00	
Uniform Construction Code Fees	A-2		639,831.00	639,831.00	
Joint Services with County Library	A-2		432,847.00	432,847.00	
Life Hazard Use Fees	A-2		119,069.18	119,069.18	
Suburban Cablevision - Franchise Fee	A-2		203,916.82	203,916.82	
Payment in Lieu of Taxes-Centerbridge I	A-2		93,202.83	93,202.83	
Payment in Lieu of Taxes-Centerbridge II	A-2		119,170.98	119,170.98	
Bridgewater Commons - Rent / Royalty / In Lieu Of	A-2		1,614,261.00	1,614,261.00	
Host Benefit Fees	A-2		253,820.26	253,820.26	
Hotel/Motel Tax	A-2		689,677.66	689,677.66	
Capital Fund Surplus	A-2		130,000.00	130,000.00	
Debt Service Reimbursement - Open Space Trust Fund	A-2		180,904.74	180,904.74	
Debt Service Reimbursement - Reserve to Pay BAN	A-2		393,140.00	393,140.00	
Sale of Liquor License	A-2		455,570.00	455,570.00	
Recreation - Summer Playground	A-2		91,360.00	91,360.00	
		\$ 52,142.63	\$ 12,122,315.59	\$ 13,058,054.39	\$ 56,473.83
<u>REF.</u>		A		A-4	A

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>					
Mayor's Office	\$ 0.58	\$	\$ 0.58	\$	\$ 0.58
Administration	6.82		6.82		6.82
Economic Development	0.04		0.04		0.04
Township Council	0.04		0.04		0.04
Personnel Office	296.85		296.85		296.85
Purchasing Department	79.04		79.04		79.04
Grants Administration Office	151.71		151.71		151.71
Township Council	120.31		120.31		120.31
Director of Finance	783.95		783.95		783.95
Division of Treasury	2,774.51		274.51		274.51
Division of Tax Collection	171.07		171.07		171.07
Tax Assessment	2,564.10		1,564.10		1,564.10
Legal Office	1,978.84		478.84		478.84
Engineering Director's Office	0.20		0.20		0.20
Engineering	1,522.98		522.98		522.98
Board of Adjustments	4,305.37		5.37		5.37
Division of Planning	1,796.30		96.30		96.30
Police	218,970.51		292,970.51	263,321.84	9,648.67
Fire Safety	1,484.38		1,484.38		1,484.38
Municipal Court	3,364.27		364.27		364.27
Road Repairs and Maintenance	26,901.59		31,601.59	31,569.87	31.72
Vehicle Maintenance	11,642.57		6,642.57	6,168.83	473.74
Snow Removal	20,855.51		20,855.51		
Park Maintenance	70,469.92		20,469.92	7,535.66	12,934.26
Public Buildings and Grounds	15,195.41		3,195.41	3,062.07	133.34
Director's Office	0.90		0.90		0.90
Division of Health	4,487.12		4,487.12		4,487.12
Administration of Public Assistance	56.96		56.96		56.96
Environmental Commission	2,614.28		614.28		614.28
Senior Citizen Services	7,053.37		53.37		53.37
Division of Recreation and Parks	14,608.49		4,608.49		4,608.49
Construction Code Official	2,912.04		2,912.04		2,912.04
Branch Library	30,289.92		30,289.92		30,289.92
Salary Settlements	175.83		175.83		175.83
<u>OTHER EXPENSES</u>					
Mayor's Office	1,267.14	96.70	363.84	25.00	338.84
Administration	6,680.20	520.00	2,200.20	200.00	2,000.20
Economic Development	9.98		9.98		9.98
Township Council	2,179.01	1,097.00	3,276.01	445.00	2,831.01
Personnel Office	730.75	805.75	1,536.50	887.75	648.75
Purchasing Department	4,032.17	2,499.47	3,531.64	1,060.98	2,470.66
Grants Administration Office		1.83	1.83		1.83
Elections	144.69		144.69		144.69
Township Clerk	5,922.33	1,817.88	2,740.21	1,929.90	810.31
Director of Finance	1,753.92	10,000.00	10,753.92	3,000.00	7,753.92
Division of Treasury	392.53	2,817.74	3,210.27	2,800.00	410.27
Audit	325.00		325.00		325.00
Division of Collector of Taxes	0.14		0.14		0.14
Assessment of Taxes	3,313.64	21,418.33	22,231.97	6,359.68	15,872.29
Reassessment Program		9,500.00	9,500.00	7,000.00	2,500.00
Legal Office	23,129.64	28,548.46	51,678.10	32,345.24	19,332.86
Employee Group Insurance	170,448.90	50,771.02	221,219.92	173,372.46	47,847.46
Other Insurance Premiums	382.00	715.00	1,097.00		1,097.00
Engineering	527.62	1,766.16	2,293.78	1,750.74	543.04
Board of Adjustments	28.73	9,048.06	9,076.79	7,273.68	1,803.11
Division of Planning	13,325.44	9,267.12	22,592.56	9,525.66	13,066.90
Planning Board	41.36	14,691.50	14,732.86	14,109.50	623.36
Police	1,603.67	197,710.62	199,314.29	186,845.93	12,468.36
Office of Emergency Management	9.84	2,599.95	2,609.79	2,599.95	9.84
Fire Safety	100.00		100.00		100.00
Fire Hydrant Service	15,576.53		15,576.53		15,576.53
Rescue Squad	5,019.50	141.85	5,161.35	117.17	5,044.18
First Aid Organization Contribution	10,000.00		10,000.00		10,000.00
Municipal Court	10,267.41	3,176.29	13,443.70	1,872.64	11,571.06
Public Defender	7,600.00	1,800.00	9,400.00		7,600.00
Road Repair and Maintenance	32,703.93	101,876.86	134,580.79	83,465.73	51,115.06
Vehicle Maintenance	7,800.86	19,724.83	27,525.69	11,569.02	15,956.67
Recycling	7,361.21	18,604.05	18,965.26	18,604.05	361.21
Snow Removal	58,577.83	7,664.61	119,822.44	113,481.46	6,340.98

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009	TRANSFERRED FROM ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>					
Park Maintenance	\$ 178.17	\$ 15,570.93	\$ 15,749.10	\$ 13,768.03	\$ 1,981.07
Municipal Services Reimbursements: Condominiums	32,836.61		32,836.61	30,355.36	2,481.25
Public Buildings and Grounds	19.43	30,523.22	35,842.65	28,510.97	7,331.68
Director's Office	147.48	486.20	633.68	486.20	147.48
Division of Health	43.03	2,838.06	3,301.09	3,237.52	63.57
Administration of Public Assistance	131.02		131.02		131.02
Visiting Nurses Service - Contribution		3,213.00	3,213.00	3,213.00	
Environmental Commission	91.35	300.00	391.35	285.00	106.35
Senior Citizen Services	1,399.87	1,671.85	3,071.72	1,646.43	1,425.29
Division of Recreation and Parks	246.48	20,998.95	21,245.43	20,552.70	692.73
Branch Library	83,773.69	2,602.50	86,376.19	81,239.59	5,136.60
Green Brook Flood Control	1,038.85		1,038.85		1,038.85
Construction Code Official	20,998.10	88,591.49	89,589.59	72,838.09	16,751.50
Street Lighting	55,565.24		55,565.24	84,872.62	692.62
Telephone Service	22,835.38	800.00	23,635.38	17,713.28	5,922.10
Central Office Supply	617.20	1,030.64	1,647.84	845.70	802.14
Utilities	130,961.96	3,704.18	164,666.14	162,803.22	1,862.92
Postage	7,500.30	264.66	264.96	207.00	57.96
Contingent	5,000.00		5,000.00		5,000.00
Social Security System (O.A.S.I.)	56,746.62		11,746.62	11,604.25	142.37
Pension Firemen's Widow	1,000.00		1,000.00		1,000.00
Defined Contribution Retirement Plan (DCRP)	1,217.54		1,217.54		1,217.54
Length of Service Awards Program	17,872.75	5,951.25	23,824.00	5,951.25	17,872.75
Dog Regulation		27.00	27.00		27.00
Branch Library	1,628.52	6,647.31	8,275.83	3,062.76	5,213.07
Employee Group Insurance	1,958.09	289.20	2,247.29	289.20	1,958.09
Social Security System	18,493.30		18,493.30		18,493.30
Supplemental Fire Services Program Fire District	200.01		200.01		200.01
Police Department - General Equipment	125.00	3,460.00	3,585.00	3,460.00	125.00
Judgements	100,000.00		100,000.00	3,500.00	96,500.00
<u>CAPITAL IMPROVEMENTS</u>					
Finance - Computer Equipment	3.91	7,757.64	7,761.55	6,471.51	1,290.04
	<u>\$ 1,401,521.65</u>	<u>\$ 715,409.16</u>	<u>\$ 2,116,930.81</u>	<u>\$ 1,591,869.00</u>	<u>\$ 525,061.81</u>
REF.	A	A-11			A-1
Disbursements	A-4			\$ 1,459,570.08	
Reserve for Accounts Payable	A-11			<u>132,298.92</u>	
				<u>\$ 1,591,869.00</u>	

"A-15"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>	
Balance, December 31, 2009	A	\$ 745,758.32
Decreased by:		
Disbursements	A-4	<u>44,756.44</u>
Balance, December 31, 2010	A	<u>\$ 701,001.88</u>

"A-16"

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

Balance, December 31, 2009	A	\$ 33,600.00
Increased by:		
Receipts	A-4	<u>81,349.00</u>
		\$ 114,949.00
Decreased by:		
Disbursements	A-4	<u>96,370.00</u>
Balance, December 31, 2010	A	<u>\$ 18,579.00</u>

"A-17"

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2009	A	\$	967,688.90
Increased by:			
Overpayments in 2010	A-4		<u>341,438.20</u>
		\$	1,309,127.10
Decreased by:			
Refunded	A-4	\$	239,561.56
Canceled			442.19
Applied to Taxes	A-8		65,011.13
Applied to Sewer	A-12		<u>4,519.09</u>
			<u>309,533.97</u>
Balance, December 31, 2010	A	\$	<u><u>999,593.13</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2009	A	\$	714,837.24
Increased by:			
Collection of 2011 Taxes	A-4		<u>867,565.85</u>
		\$	1,582,403.09
Decreased by:			
Applied to 2010 Taxes	A-8		<u>714,837.23</u>
Balance, December 31, 2010	A	\$	<u><u>867,565.86</u></u>

"A-19"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>	
Increased by:		
Receipts	A-4	\$ <u>226,759.85</u>
Balance, December 31, 2010	A	\$ <u><u>226,759.85</u></u>

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2009	A		\$ 201,230.63
Increased by:			
2010 Levy		\$ 34,678,989.71	
Added Taxes		<u>85,785.74</u>	
	A-1:A-8		\$ <u>34,764,775.45</u>
			\$ 34,966,006.08
Decreased by:			
Payments	A-4		<u>34,880,220.34</u>
Balance, December 31, 2010	A		\$ <u><u>85,785.74</u></u>



"A-21"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

	<u>REF.</u>	
Increased by:		
School Levy	A-1:A-8	\$ 106,302,430.34
Decreased by:		
Payments	A-4	\$ <u>106,302,430.34</u>

"A-22"

SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE

Increased by:		
2010 Special District Tax Levy	A-1:A-8	\$ 2,167,745.00
Decreased by:		
Payments	A-4	<u>2,169,245.00</u>
Balance, December 31, 2010 (Prepaid)	A	\$ <u>1,500.00</u>

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2009	2010 BUDGET APPROPRIATION	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2010
Public Health Priority Fund	\$ 15,871.00	\$ 10,590.00	\$ 4,317.00	\$	\$ 22,144.00
Drunk Driving Enforcement Fund	3,069.46	26,704.94	20,125.85		9,648.55
Over the Limit Under Arrest		5,000.00	2,375.00		2,625.00
Clean Communities Program	43,738.14	77,955.83	82,058.48		39,635.49
Municipal Alliance Program		39,673.00	39,673.00		
Municipal Alliance Program Match		9,918.00	9,918.00		
Alcohol Education Rehabilitation	16,672.88	3,669.93	9,725.00		10,617.81
Body Armor Replacement Fund	7,063.88	8,872.55	7,913.98		8,022.45
Environmental Service Program - OEM	2,500.00				2,500.00
Environmental Service Program - OEM Match	2,500.00				2,500.00
Middlebrook Trails Construction	3,246.44		1,593.62		1,652.82
Middlebrook Trails	7,696.55				7,696.55
Hazard Mitigation Grant	9,914.00				9,914.00
Hazardous Discharge Site Remediation - Municipal Garage		308,846.00	308,846.00		
Safe & Secure Communities		60,000.00	60,000.00		
Safe & Secure Communities & Match		110,871.00	110,871.00		
Recycling Tonnage Program	110,331.08		100,000.00		10,331.08
Domestic Violence Training Program	225.22				225.22
Somerset County Youth Services Commission	380.73		(167.65)		548.38
Smart Future Planning - Municipal Building	18,500.00		8,558.76		9,941.24
SC Youth Athletic & Recreational Facility	15,000.00		14,976.92		23.08
CDBG - Youth Development Program		7,776.00			7,776.00
COPS Technology	40,149.00		40,106.56		42.44
Office of Emergency Management	13,505.86	5,000.00	110.00		18,395.86
911 General Assistance	1.25				1.25
Federal Bulletproof Vest Program	9,944.55	10,143.00	8,213.97		11,873.58
Open Space Partnership - Wemple Acquisition	100,000.00				100,000.00
Challenge Grant - Findeme	25,000.00		3,300.00		21,700.00
Regional Center Partnership - Pearl Street and Jamestown Road		20,000.00			20,000.00
Regional Center Partnership - Sidewalk Installation Rte 28		25,000.00	25,000.00		
Regional Center Partnership - Peters Brook	13,845.00				13,845.00
Justice Assistance Grant (JAG)		10,800.00	10,800.00		
Municipal Planning Partnership - Economic Development	0.46				0.46
Stormwater Regulation	4,798.00				4,798.00
Electronic Death Registration System	97.49		97.48		0.01
Child Passenger Safety Grant		5,500.00	5,477.36		22.64
Buffer Zone Protection Program		412,783.00	217,856.28		194,926.72
CDBG - Youth Development Program	2,184.00		2,184.00		
SC Youth Services Commission		5,000.00	3,020.00		1,980.00
Energy Efficiency & Conservation Strategy	194,200.00		97,911.04		96,288.96
Tobacco Age of Sale Grant	2,460.00				2,460.00
Swine Flu (H1N1)		112,874.00	14,323.61	87,074.00	11,476.39
Hepatitis B Inoculation Fund	1,542.00		429.93		1,112.07
Homeland Security - County		291,104.00			291,104.00
NJ DOT - Crim Road	45,339.68				45,339.68
NJ DOT - Country Club Road	9,719.28		(1,258.14)		10,977.42
NJ DOT - Repaving US Route 22	225,000.00		108,064.45		116,935.55
	<u>\$ 944,495.95</u>	<u>\$ 1,568,081.25</u>	<u>\$ 1,316,421.50</u>	<u>\$ 87,074.00</u>	<u>\$ 1,109,081.70</u>
REF.	A			A-1:A-30	A
Grants Appropriated	A-3	\$ 1,447,292.25			
Matching Funds for Grants	A-4	120,789.00			
		<u>\$ 1,568,081.25</u>			
Disbursements	A-4		\$ 1,232,499.95		
Accounts Payable	A-11		470,163.98		
			<u>\$ 1,702,663.93</u>		
Less: Transferred from Accounts Payable	A-11		386,242.43		
			<u>\$ 1,316,421.50</u>		

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2009	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2010
Drunk Driving Enforcement Fund	\$ 26,704.94	\$ 20,679.41	\$ 26,704.94	\$ 20,679.41
SC Youth Athletic and Recreation		14,976.92		14,976.92
Public Health Priority Funding	5,098.00		5,098.00	
H1N1 - Swine Flu	25,800.00		25,800.00	
	<u>\$ 57,602.94</u>	<u>\$ 35,656.33</u>	<u>\$ 57,602.94</u>	<u>\$ 35,656.33</u>
<u>REF.</u>	A	A-4	A-25	A

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2010	BUDGET APPROPRIATION	RECEIPTS	CANCELED	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2010
Public Health Priority Fund	\$ 17,060.36	\$ 10,590.00	\$ 5,492.00	\$	\$ 5,098.00	\$ 291,104.00
Homeland Security - County	2,616.37	291,104.00				
Drunk Driving Enforcement Fund	8,323.60	26,704.94			26,704.94	
Alcohol Education Rehabilitation Fund		3,669.93				
Over the Limit Under Arrest		5,000.00				
Clean Communities Program		77,955.83				
Municipal Alliance Program		39,673.00				
Body Armor Replacement Fund		8,872.55				
Federal Bulletproof Vest Partnership		10,143.00				
Environmental Services Program - OEM						
COPS Technology Grant						
Middlebrook Trail Construction						
Office of Emergency Management						
Hazard Mitigation Grant						
Aggressive Driver Enforcement Program						
Justice Assistance Grant (JAG)						
Safe and Secure Communities						
Regional Center Partnership - Challenge Grant						
Open Space Partnership - Wemple Acquisition						
SC Youth Athletic & Recreation Facilities						
County of Somerset Youth Services Commission						
Public Water Supply Contract						
School Based Partnership						
Energy Efficiency & Conservation Strategy Project						
Swine Flu (H1N1)						
Comprehensive Traffic Safety Program						
NJ Division on Women						
Smart Future						
Buffer Zone Protection Program (Homeland Security)						
CPBG - Youth Development Program						
Child Passenger Safety Grant						
NJ DOT - Municipal Aid Program - Country Club Road Phase II						
NJ DOT - Repairing U.S. Route 22						
NJ DOT - Crim Road						
	\$ 1,099,554.38	\$ 1,447,292.25	\$ 992,277.46	\$ 87,074.00	\$ 57,602.94	\$ 1,409,892.23
	A	A-2	A-4	A-30	A-24	A

REF.

"A-26"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAXES PAYABLE

	<u>REF.</u>		
Increased by:			
Added Taxes	A-1:A-8	\$	314.58
Decreased by:			
Disbursements	A-4	\$	<u>314.58</u>

"A-27"

SCHEDULE OF RESERVE FOR STORM DAMAGE - FEMA

Increased by:			
Receipts	A-4	\$	<u>31,263.23</u>
Balance, December 31, 2010	A	\$	<u>31,263.23</u>

"A-28"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

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

	<u>REF.</u>	
Balance, December 31, 2009	A	\$ 975.00
Increased by:		
Receipts	A-4	4,925.00
		\$ <u>5,900.00</u>
Decreased by:		
Paid to State	A-4	4,850.00
		<u>4,850.00</u>
Balance, December 31, 2010	A	\$ <u><u>1,050.00</u></u>

"A-29"

SCHEDULE OF RESERVE FOR BURIAL PERMITS - DUE STATE OF NEW JERSEY

Balance, December 31, 2009	A	\$ 20.00
Decreased by:		
Disbursements	A-4	\$ <u><u>20.00</u></u>

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2009 (Due From)	A		\$ 5,661.35
Increased by:			
Grants Receivable Canceled	A-25		84,074.00
			<u>\$ 89,735.35</u>
Decreased by:			
Grants Appropriated Canceled	A-23	\$ 87,074.00	
Receipts	A-4	<u>36,924.58</u>	
			<u>123,998.58</u>
Balance, December 31, 2010 (Due To)	A		<u><u>\$ 34,263.23</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

REF.

Increased by:

2010 Appropriations

N.J.S.A. 40A:4-46 Health Insurance

A-1:A-3

\$ 100,000.00

Balance, December 31, 2010

A

\$ 100,000.00



TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>	<u>ASSESSMENT</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
B	\$ 36,014.42	\$ 44,406.15	\$ 27,182,402.23
B-14	\$	13,979.40	\$
B-15	\$	3,027.60	
B-13			10,907,582.44
B-12			1,662,142.37
B-8			110,201.11
B-10:B-17:B-18	7,820.00	5.00	2,475.36
	<u>7,820.00</u>	<u>17,012.00</u>	<u>12,682,401.28</u>
	\$ 43,834.42	\$ 61,418.15	\$ 39,864,803.51
B-18	\$		\$ 6,062.41
B-15		3,022.20	
B-14		4,324.21	
B-16		30,873.00	
B-13			10,918,543.49
B-12			2,862,038.72
B-8			129,410.48
B-6			500,000.00
		<u>38,219.41</u>	<u>14,416,055.10</u>
B	\$ 43,834.42	\$ 23,198.74	\$ 25,448,748.41

Balance, December 31, 2009

Increased by Receipts:

- Reserve for Animal Control Expenditures
- Due State of New Jersey
- Reserve for Various Trust Deposits
- Reserve for Municipal Open Space Trust Deposits
- State Unemployment Insurance
- Due Current Fund

Decreased by Disbursements:

- Due Current Fund
- New Jersey State Board of Health Expenditures Under R.S.4:19-15.11
- Accounts Payable
- Reserve for Various Trust Deposits
- Reserve for Municipal Open Space Trust Deposits
- State Unemployment Insurance
- Due General Capital Fund

Balance, December 31, 2010

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, 2009 AND 2010</u>	<u>BALANCE PLEGDED 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, 2009 AND 2010</u>
79-19	Construction of Sanitary Sewer - Middlebrook	\$ <u>408,863.19</u>
		\$ <u>408,863.19</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>408,863.19</u>
	<u>REF.</u> B-4

TOWNSHIP OF BRIDGEWATER

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

	BALANCE DECEMBER <u>31, 2009</u>	<u>RECEIPTS</u> MISCELLANEOUS	BALANCE DECEMBER <u>31, 2010</u>
Assessment Serial Bonds:			
Middlebrook 79-19	\$ 0.18	\$	\$ 0.18
Ethicon 87-20/88-7/88-24/89-30/90-10	(197.45)		(197.45)
Assessment Fund Balance	43,031.69		43,031.69
Assessment Overpayments	1,000.00		1,000.00
Due Current Fund	<u>(7,820.00)</u>	<u>7,820.00</u>	<u>1,000.00</u>
	<u>\$ 36,014.42</u>	<u>\$ 7,820.00</u>	<u>\$ 43,834.42</u>
<u>REF.</u>	B	B-2	B

TOWNSHIP OF BRIDGEWATER

TRUST FUND

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

	<u>REF.</u>	
Increased by:		
Receipts	B-2	\$ <u>500,000.00</u>
Balance, December 31, 2010	B	\$ <u>500,000.00</u>

"B-7"

TOWNSHIP OF BRIDGEWATER  
TRUST FUND  
SCHEDULE OF ASSESSMENT OVERPAYMENTS

	<u>REF.</u>	
Balance, December 31, 2009 and December 31, 2010	B	\$ <u>1,000.00</u>

"B-8"

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

Balance, December 31, 2009	B	\$ 26,209.17
Increased by: Receipts	B-2	110,201.11 \$ <u>136,410.28</u>
Decreased by: Disbursements	B-2	<u>129,410.48</u>
Balance, December 31, 2010	B	\$ <u>6,999.80</u>

"B-9"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - OTHER TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2009 (Due From)	B		\$ 75,971.49
Increased by:			
Accounts Payable - Open Space Trust	B-12	\$ 4,243,674.51	
Accounts Payable - Various Trust Deposits	B-13	<u>508,305.91</u>	
			<u>4,751,980.42</u>
			\$ 4,827,951.91
Decreased by:			
Transfer to Open Space Trust	B-12		<u>75,971.49</u>
Balance, December 31, 2010	B		<u>\$ 4,751,980.42</u>

"B-10"

SCHEDULE OF DUE CURRENT FUND - ASSESSMENT TRUST FUND

Balance, December 31, 2009 (Due From)	B		\$ 7,820.00
Decreased by:			
Receipts	B-2		<u>\$ 7,820.00</u>

"B-11"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

	<u>REF.</u>	
Balance, December 31, 2009 and December 31, 2010	B:B-11	\$ <u>495,754.52</u>

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010</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-11



TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE TRUST DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2009	B		\$ 16,764,868.59
Increased by:			
Receipts	B-2	\$ 1,662,142.37	
Accounts Payable	B-9	<u>75,971.49</u>	
			<u>1,738,113.86</u>
			\$ 18,502,982.45
Decreased by:			
Disbursements	B-2	\$ 2,862,038.72	
Accounts Payable	B-9	<u>4,243,674.51</u>	
			<u>7,105,713.23</u>
Balance, December 31, 2010	B		\$ <u><u>11,397,269.22</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST DEPOSITS

ACCOUNT	BALANCE DECEMBER 31, 2009	RECEIPTS	EXPENDITURES	BALANCE DECEMBER 31, 2010
Escrow/Other Accounts	\$ 761,896.11	\$ 487,234.58	\$ 303,078.49	\$ 946,052.20
Public Defender	26,760.93	19,134.50	8,000.00	37,895.43
Police Offense Adjudication Act	4,118.00	130.00		4,248.00
Law Enforcement Trust	3,623.08	7,730.99		11,354.07
Fire Fines and Penalties	22,790.00	300.00	2,234.89	20,855.11
Fire Penalties Due Departments	5,950.00	200.00		6,150.00
Salary Settlements	5,434.31	112,983.63	107,267.43	11,150.51
Animal Shelter	35,992.53		35,992.53	
COAH	5,606,248.24	154,943.98	641,257.66	5,119,934.56
Site Inspections	716,483.95	80,354.46	263,310.22	533,528.19
Performance Bonds	2,128,257.12	1,359,021.17	1,246,421.82	2,240,856.47
Professional Fees Escrow	721,456.74	360,368.49	558,305.00	523,520.23
Police Outside Overtime	110,410.58	803,257.67	771,015.94	142,652.31
Tax Premiums	352,400.00	225,000.00	187,800.00	389,600.00
Payroll Deductions Payable	136,750.15	7,509,400.06	7,487,169.20	158,981.01
Outside Lien Redemptions	60,554.34	795,965.28	748,846.75	107,672.87
Third Party Inspections	195,957.20	642,292.00	586,348.40	251,900.80
Maintenance Escrow	23,436.14	12,522.91	2,796.22	33,162.83
	\$ 10,918,519.42	\$ 12,570,839.72	\$ 12,949,844.55	\$ 10,539,514.59
	B			B
Disbursements			\$ 10,918,543.49	
Accounts Payable			508,305.91	
Transfer			1,522,995.15	
			\$ 12,949,844.55	
Receipts				
Due Current Fund - Other Trust Fund	\$ 10,907,582.44			
Transfer	140,262.13			
	1,522,995.15			
	\$ 12,570,839.72			

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, 2009	B		\$ 13,538.15
Increased by:			
Cat License Fees Collected		\$ 843.00	
Dog License Fees Collected		12,211.40	
Late Fees		850.00	
Kennel/Pet Shop Licenses		75.00	
	B-2	<u>                    </u>	13,979.40
			\$ <u>27,517.55</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2	\$ 4,324.21	
Accounts Payable	B-16	<u>437.00</u>	
			<u>4,761.21</u>
Balance, December 31, 2010	B		\$ <u><u>22,756.34</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2009	\$ 12,987.80
2008	<u>15,531.50</u>
	\$ <u><u>28,519.30</u></u>

"B-15"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

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

	<u>REF.</u>		
Increased by:			
State Registration Fees Collected	B-2	\$	3,027.60
Decreased by:			
Paid to State Department of Health	B-2		<u>3,022.20</u>
Balance, December 31,2010	B	\$	<u><u>5.40</u></u>

"B-16"

SCHEDULE OF ACCOUNTS PAYABLE - ANIMAL CONTROL TRUST FUND

Balance, December 31, 2009	B	\$	30,873.00
Increased by:			
Accounts Payable	B-14		<u>437.00</u>
		\$	<u>31,310.00</u>
Decreased by:			
Paid to State Department of Health	B-2		<u>30,873.00</u>
Balance, December 31,2010	B	\$	<u><u>437.00</u></u>

"B-17"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2009 (Due To)	B	\$	5.00
Decreased by:			
Disbursements	B-2	\$	<u>5.00</u>

"B-18"

SCHEDULE OF DUE CURRENT FUND - OTHER TRUST FUND

Balance, December 31, 2009 (Due From)	B	\$	603,166.44
Increased by:			
Disbursements	B-2	\$	6,062.41
Transfer	B-13		<u>140,262.13</u>
			<u>146,324.54</u>
		\$	<u>749,490.98</u>
Decreased by:			
Receipts	B-2		<u>2,475.36</u>
Balance, December 31, 2010 (Due From)	B	\$	<u>747,015.62</u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2009	C		\$ 1,376,824.14
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-7	\$ 200,000.00	
Bond Anticipation Notes	C-12	16,600,000.00	
Reserve for Debt Service	C-14	255,717.66	
Deferred Charges to Future Taxation: Unfunded	C-6	2,602,335.13	
Due Open Space Trust Fund	C-8	500,000.00	
Serial Bonds Payable	C-11	22,500,000.00	
Reserve for Capital Projects	C-4	182,000.00	
			<u>42,840,052.79</u>
			\$ <u>44,216,876.93</u>
Decreased by Disbursements:			
Contracts Payable	C-16	\$ 5,287,073.25	
Due Open Space Trust Fund	C-8	1,572,235.42	
Fund Balance-Utilized as Current Fund Revenue	C-1	130,000.00	
Reserve for Debt Service	C-14	393,140.00	
Bond Anticipation Notes	C-12	36,600,000.00	
			<u>43,982,448.67</u>
Balance, December 31, 2010	C		\$ <u><u>234,428.26</u></u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER <u>31, 2010</u>
Capital Improvement Fund	\$ 169,453.30
Fund Balance	336,155.24
Due Trust Fund	500,000.00
Reserve for Capital Projects	1,638,508.75
Reserve for Debt Service	252,317.66
Contracts Payable	2,139,456.12
Unexpended Proceeds of Bond Anticipation Notes (Listed on C-6)	0.80
Cash on Hand to Pay Notes (Listed on C-6)	468,168.74
Funded Improvement Authorizations	644,433.87
Unfunded Improvements Expended (Listed on C-6)	<u>(5,914,066.22)</u>
	<u>\$ 234,428.26</u>

REF.

C

"C-4"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 1,456,508.75
Increased by:		
Receipts	C-2	<u>182,000.00</u>
Balance, December 31, 2010	C	<u>\$ 1,638,508.75</u>

"C-5"

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2009	C	\$ 17,974,897.65
Increased by:		
New Bond	C-11	<u>22,500,000.00</u>
		\$ <u>40,474,897.65</u>
Decreased by:		
Improvement Authority Loans Paid by Budget	C-17	\$ 257,504.79
Green Acres Loans Paid by Budget	C-15	116,574.09
Infrastructure Loans Paid by Budget	C-13	53,774.08
Bonds Paid by Budget	C-11	<u>1,115,000.00</u>
		<u>1,542,852.96</u>
Balance, December 31, 2010	C	<u>\$ 38,932,044.69</u>







"C-7"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 159,323.30
Increased by:		
2010 Budget Appropriation	C-2	<u>200,000.00</u>
		\$ <u>359,323.30</u>
Decreased by:		
Appropriated to Finance Improvements	C-9	<u>189,870.00</u>
Balance, December 31, 2010	C	\$ <u><u>169,453.30</u></u>

"C-8"

SCHEDULE OF DUE GRANT FUND

Increased by:		
Receipts	C-2	\$ 228,428.58
Decreased by:		
Disbursements	C-2	\$ <u><u>228,428.58</u></u>

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance	BALANCE - DECEMBER 31, 2009		2010		EXPENDED	CONTRACTS PAYABLE CANCELED	BALANCE - DECEMBER 31, 2010	
	FUNDED	UNFUNDED	AUTHORIZATIONS	CANCELED			FUNDED	UNFUNDED
87-17 Acquisition of Certain Lands	\$	191,096.90	\$	191,140.01	\$	43.11	\$	
90-08, 94-08, 95-10 Improvement of Country Club Road		769.03		13,317.95		12,548.92		
92-30, 00-11, 01-08 General Road Improvement		13,209.00		102.99		102.99		
94-21 Remediation Ground Pollution		2,485.20				568.99		13,777.99
95-09 Street Resurfacing								
95-24 Capital Projects								
97-12, 99-87 Design and Reconstruction of Various Roads		1,443.68		2,485.20		30,405.40		
00-13 Purchase of Telephone System - Police Department		0.50		30,405.40		21,544.50		
01-15 Reconstruction of Beach Avenue		2,391.35		4,136.70		2,693.02		
01-18 Drainage Study & Improvement - Various Locations		1,209.37		0.50				
01-23 Purchase of Equipment for Use by Public Works, Parks, & Recreation		70.92		2,190.18		201.17		
01-36 Crosswalks and Sidewalks - Various Roads		38,645.81		70.92		122.56		1,086.81
01-38 Acquisition of Real Property for use for all Categories of Open Space		1,097,886.24		1,131,485.41		63.05		38,582.76
02-12 Purchase of Playground Equipment		245.00		225.62		19.98		
02-20 Various Improvements			8,440.27	7,987.55		452.72		
03-05 Revision of Township of Codebook			5,652.40	5,652.40				
03-13 Various Park Improvements		3,321.44						
03-14 Vehicle Maintenance Equipment		642.86						
03-18 Reconstruction of Roger Avenue Gables		5,512.10		612.80		163.83		
03-20 Reconstruction of Oak Street		73,088.80		5,486.97				
04-11 Preparation of Township Master Drainage Plan		151.00						
04-12 Various Drainage Improvements		9,615.33		55.41		16,714.69		56,374.11
04-13 Reconstruction of Northern Thomas Area Roads		39,391.46						
04-14 Reconstruction of Stella Drive Area		31,117.56						
04-16 2004 Road Overlay Program		10,000.00		4,170.72		1,996.40		11,611.73
04-18 Drainage Improvements at Hillside, Prospect, and Orchard Roads		16,886.83	750.00					39,226.11
05-23 Drainage Improvements - Severin, Kennesaw, Tullio Farm		24,855.03	14,418.00					30,368.14
05-30 Various Drainage Improvements		185,151.27		39,256.97				17,665.64
05-31 Road Improvements - Pearl Street & Sycamore Road		189,784.21						185,048.87
05-32 Various Road and Drainage Improvements		8,261.51						74,425.49
05-33 Various Road Improvements		13,746.47						6,220.55
05-34 Road Improvements - Milltown Road		10,596.76						13,429.86
05-35 Various Drainage Improvements		24,891.07						10,456.61
05-36 Drainage Improvements - East Brook Area		90,737.09						24,843.76
05-38 2005 Road Overlay Program		10,607.58						90,511.82
05-39 2005 Chip and Seal Program			14,514.25					14,480.15
05-40 Public Works Equipment								
05-48 Parks Improvements			28,849.56					
05-50 Preparation of Master Drainage Plan		7,407.82		10,367.97				28,759.01
05-51 Drainage and Resurfacing - Carteret Road			107,286.49					107,255.45
06-13 Various Improvements			77,954.00					77,934.00
06-14 Various Road Improvements			19,465.99					19,273.88
06-15 Various Drainage Projects			761,229.86					294,249.02
06-28 Various Park & Municipal Building Improvements			584,746.03					421,584.34
06-30 Public Works Equipment			42,128.82					41,838.61
06-39 Acquisition of Real Property		249,600.00	4,750,000.00					14,395.57

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance	BALANCE - DECEMBER 31, 2009		2010 AUTHORIZATIONS		EXPENDED	CONTRACTS PAYABLE CANCELED	BALANCE - DECEMBER 31, 2010	
	FUNDED	UNFUNDED	AUTHORIZED	CANCELED			FUNDED	UNFUNDED
07-02 Construction of Municipal Complex	\$	\$ 224,585.78	\$	\$	\$ 249,614.13	\$ 3,257.75	\$	\$ 227,843.53
07-03 Road and Drainage Improvements		786,986.34			104.30			537,372.21
07-04 Various Park Improvements		96,049.42			225.83			95,945.12
07-05 Public Works Equipment		7,469.18			110,826.79			7,243.35
08-03 Various Road and Drainage Improvements		1,415,069.90			591,490.87			1,304,243.11
08-04 Public Works Equipment		33,500.86			287,600.33			33,500.86
09-07 Various Improvements		1,673,140.00			182,080.02			1,117,155.31
09-08 Public Works Equipment		35,613.00			52,974.20			35,613.00
10-03 Various Improvements			3,416,000.00		450.00			3,128,399.67
10-23 Various Improvements		35,506.28	208,500.00					26,419.98
10-29 Public Works Equipment			58,900.00					5,923.80
10-30 Reconstruction of Basketball & Tennis Courts at Harry Alley Park			150,000.00				7,050.00	142,500.00
	\$	2,390,325.47	\$ 10,949,562.21	\$ 6,473,795.44	\$ 2,223,266.99	\$ 106,962.89	\$ 644,433.87	\$ 7,938,754.27
		C	C		C-16	C-16	C	C-C-6
Deferred Charges To Future Taxation - Unfunded			\$ 3,643,530.00					
Capital Improvement Fund			189,870.00					
			\$ 3,833,400.00					
Deferred Charges To Future Taxation - Unfunded			\$ 4,763,639.95					
Due Open Space Trust Fund			1,572,235.42					
Fund Balance			137,920.07					
			\$ 6,473,795.44					

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE OPEN SPACE TRUST FUND

	<u>REF.</u>		
Increased by:			
Receipts	C-2	\$ 500,000.00	
Improvement Authorizations Canceled	C-9	<u>1,572,235.42</u>	
			\$ <u>2,072,235.42</u>
Decreased by:			
Disbursements	C-2		<u>1,572,235.42</u>
Balance December 31, 2010 (Due To)	C		\$ <u><u>500,000.00</u></u>

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2010	INTEREST RATE	BALANCE DECEMBER 31, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2010	
									DATE
General Improvements	10/02/03	\$ 11,145,000.00	10/2/11 - 2013	3.500%	\$			\$	
			10/02/2014	3.625%					
			10/02/2015	3.750%					
			10/2/16 - 2017	4.000%					
			10/02/2018	4.100%					
			10/2/19 - 2020	4.200%					
			10/02/2021	4.300%					
			10/02/2022	4.400%					
		7/15/07	7,992,000.00	07/15/2011	4.000%	8,315,000.00			
				07/15/2012	4.125%		640,000.00		7,675,000.00
General Improvements			07/15/2013	4.125%					
			07/15/2014	4.125%					
			07/15/2015	4.125%					
			07/15/2016	4.125%					
			07/15/2017	4.125%					
			07/15/2018	4.125%					
			07/15/2019	4.125%					
			07/15/2020	4.125%					
			07/15/2021	4.125%					
			07/15/2022	4.125%					
		9/1/10	22,500,000.00	09/01/2011	2.000%	7,242,000.00			
				09/01/2012	2.000%				
				09/01/2013	2.000%				
				09/01/2014	2.250%				
				09/01/2015	2.250%				
			09/01/2016	3.000%					
			09/01/2017	3.000%					
			09/01/2018	3.000%					
			09/01/2019	3.250%					
			09/01/2020	3.250%					
			9/1/21-2022	3.500%					
			9/1/23-2025	4.000%					
			9/1/26-2034	4.000%					
			09/01/2035	4.125%					
						22,500,000.00	100,000.00	22,400,000.00	
						22,500,000.00	1,115,000.00	36,942,000.00	

REF.

C

C-2;C-5

C-5

C

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, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2010
06-13	Various Improvements	08/30/07	08/11/09	08/18/10	2.00%	\$ 221,350.00	\$	\$ 221,350.00	\$
06-14	Various Road Improvements	08/30/07	08/11/09	08/18/10	2.00%	1,800,000.00		1,800,000.00	1,800,000.00
06-15	Various Drainage Improvements	08/30/07	08/11/09	08/18/10	2.00%	1,000,000.00		1,000,000.00	1,000,000.00
06-29	Various Park Improvements	08/30/07	08/11/09	08/18/10	2.00%	334,400.00		334,400.00	334,400.00
06-30	Acquisition of Public Works Equipment	08/30/07	08/11/09	08/18/10	2.00%	301,150.00		301,150.00	301,150.00
07-02	Construction of Municipal Complex	03/20/08	01/21/09	01/28/10	1.50%	10,000,000.00		10,000,000.00	10,000,000.00
07-03	Construction of Municipal Complex	03/03/09	03/03/09	03/10/10	1.50%	10,000,000.00		10,000,000.00	10,000,000.00
07-04	Various Improvements	08/30/07	08/11/09	08/18/10	2.50%	2,974,975.00		2,974,975.00	2,974,975.00
07-05	Various Park Improvements	08/30/07	08/11/09	08/18/10	2.50%	120,175.00		120,175.00	120,175.00
06-13	Acquisition of Public Works Equipment	08/30/07	08/11/09	08/18/10	2.50%	247,950.00		247,950.00	247,950.00
06-14	Various Improvements	08/30/07	08/12/10	08/11/11	2.00%		208,701.00		208,701.00
06-15	Various Road Improvements	08/30/07	08/12/10	08/11/11	2.00%		1,697,143.00		1,697,143.00
06-29	Various Drainage Improvements	08/30/07	08/12/10	08/11/11	2.00%		942,857.00		942,857.00
06-30	Various Park Improvements	08/30/07	08/12/10	08/11/11	2.00%		315,292.00		315,292.00
07-03	Acquisition of Public Works Equipment	08/30/07	08/12/10	08/11/11	2.00%		283,942.00		283,942.00
07-04	Various Improvements	08/30/07	08/12/10	08/11/11	2.00%		2,818,357.00		2,818,357.00
07-05	Various Park Improvements	08/30/07	08/12/10	08/11/11	2.00%		113,308.00		113,308.00
07-05	Acquisition of Public Works Equipment	08/30/07	08/12/10	08/11/11	2.00%		220,400.00		220,400.00
						\$ 27,000,000.00	\$ 6,600,000.00	\$ 27,000,000.00	\$ 6,600,000.00

REF.

C

C-2

C-2

C:C-6



"C-13"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR INFRASTRUCTURE LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 745,867.52
Decreased by:		
Payment on Loan	C-5	<u>46,177.43</u>
Balance, December 31, 2010	C	<u>\$ 699,690.09</u>

"C-14"

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

Balance, December 31, 2009	C	\$ 389,740.00
Increased by:		
Receipts	C-2	<u>255,717.66</u>
		\$ <u>645,457.66</u>
Decreased by:		
Disbursements	C-2	<u>393,140.00</u>
Balance, December 31, 2010	C	<u>\$ 252,317.66</u>

"C-15"

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND  
SCHEDULE OF GREEN ACRES LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 1,159,632.43
Decreased by:		
Payment on Loans	C-5	<u>116,574.09</u>
Balance, December 31, 2010	C	<u>\$ 1,043,058.34</u>

"C-16"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Balance, December 31, 2009	C	\$ 5,310,225.27
Increased by:		
Charges to Improvement Authorizations	C-9	<u>2,223,266.99</u>
		\$ <u>7,533,492.26</u>
Decreased by:		
Disbursements	C-2	\$ 5,287,073.25
Canceled - Improvement Authorizations	C-9	<u>106,962.89</u>
		<u>5,394,036.14</u>
Balance, December 31, 2010	C	<u>\$ 2,139,456.12</u>

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2009	C	\$ 558,575.13
Decreased by:		
Payment on Loans	C-5	<u>257,504.79</u>
Balance, December 31, 2010	C	<u>\$ 301,070.34</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, 2010</u>
02-07:03-22	Resurfacing & Reconstruction of Certain Roadways	\$ 61,200.00
02-20-03-03	Various Improvements	72,812.45
02-21	Amounts Owing to Others for Taxes Levied	0.90
03-05	Revision of Township Codebook	19,047.60
05-34	Road Improvements Milltown Road	299,650.00
05-35	Various Drainage Improvements	197,435.00
05-48	Parks Improvements	74,991.00
05-50	Preparation of Master Drainage Plan	118,000.00
05-51	Drainage and Resurfacing - Carteret Road	77,934.00
06-14	Various Road Improvements	586,400.00
06-15	Various Drainage Projects	1,028,250.00
07-02	Construction of Municipal Complex	1,400,000.00
07-03	Road and Drainage Improvements	247,900.00
08-03	Various Road and Drainage Improvements	3,405,750.00
08-04	Public Works Equipment	251,750.00
09-07	Various Improvements	1,673,140.00
09-08	Public Works Equipment	226,860.00
10-03	Various Improvements	3,247,000.00
10-23	Various Improvements	198,075.00
10-29	Public Works Equipment	55,955.00
10-30	Reconstruction of Basketball & Tennis Courts at Harry Alley Park	142,500.00
		<hr/>
		\$ 13,384,650.95

TOWNSHIP OF BRIDGEWATERSEWER UTILITY FUNDSCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>ASSESSMENT TRUST</u>	<u>CAPITAL</u>
Balance, December 31, 2009	D	\$ <u>3,109,404.01</u>	\$ <u>11,432.42</u>	\$ <u>222,023.10</u>
Increased by Receipts:				
Sewer Charges Receivable	D-14	\$ 9,990,410.76	\$	\$
Miscellaneous Revenue Not Anticipated	D-1:D-4	156,973.67		
Interfunds	D-11	48,198.70		
Sewer Connection Charges Receivable	D-13	93,500.00		
Sewer Overpayments	D-22	119,317.05		
Interest on Investments and Deposits	D-1:D-4	19,760.84		
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	10,762.12		
Environmental Infrastructure Loan Receivable	D-33			<u>372,054.00</u>
		\$ <u>10,532,273.48</u>	\$ _____	\$ <u>372,054.00</u>
		\$ <u>13,641,677.49</u>	\$ <u>11,432.42</u>	\$ <u>594,077.10</u>
Decreased by Disbursements:				
2010 Budget Appropriations	D-5	\$ 8,328,863.58	\$	\$
2009 Appropriation Reserves	D-20	351,698.06		
Interfunds	D-6:D-32	647.14		16,796.77
Sewer Overpayments	D-22	128,016.25		
Accrued Interest on Bonds	D-12	44,050.52		
Accrued Interest on Loans	D-34	4,723.00		
Accounts Payable	D-19	2,950.00		
Contracts Payable	D-26			<u>289,401.56</u>
		\$ <u>8,860,948.55</u>	\$ _____	\$ <u>306,198.33</u>
Balance, December 31, 2010	D:D-7:D-8	\$ <u>4,780,728.94</u>	\$ <u>11,432.42</u>	\$ <u>287,878.77</u>

"D-7"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF ASSESSMENT FUND CASH

	BALANCE DECEMBER <u>31, 2010</u>
Fund Balance	\$ 11,392.66
Due Sewer Operating Fund	<u>39.76</u>
	<u>\$ 11,432.42</u>

REF.

D:D-6

"D-8"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

BALANCE  
DECEMBER  
31, 2010

SEWER:

Fund Balance	\$	69,528.24
Contract Payable		364,816.53
Improvement Authorizations - Funded:		
Ord. # 01-19/04-01 Design & Upgrade to Gilbride Pump Station		69,894.44
Ord. # 01-34 Infiltration & Inflow Program in Finderne Section		89,825.93
Ord. # 01-35 Purchase of Portable Color TV Insp. System		2,074.90
Ord. # 09-10 Improvements to Sanitary Sewer System		100,387.80
Authorized but not Issued		(996,398.64)
Unfunded Improvements Expended		<u>587,749.57</u>
	\$	<u><u>287,878.77</u></u>

REF.

D:D-6

"D-9"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2009  
and December 31, 2010

D

\$ 100.00

"D-10"

SCHEDULE OF AMOUNT DUE WARREN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Balance, December 31, 2009  
and December 31, 2010

D

\$ 24,188.06



"D-11"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SEWER UTILITY CAPITAL FUND</u>	<u>SEWER ASSESSMENT TRUST FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2009 Due From	D	\$ <u>28,009.08</u>	\$ _____	\$ <u>39.76</u>	\$ <u>27,969.32</u>
Receipts	D-6	\$ 48,198.70	\$ 16,796.77		\$ 31,401.93
Disbursements	D-6	\$ 647.14	\$		647.14
Tax Overpayment Applied	D-14	<u>4,519.09</u>	_____	_____	<u>4,519.09</u>
Balance, December 31, 2010 Due To	D	16,796.77	16,796.77		
Due From	D	\$ <u><u>1,773.38</u></u>	\$ <u>_____</u>	\$ <u>39.76</u>	\$ <u><u>1,733.62</u></u>

"D-12"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

	<u>REF.</u>	
Balance, December 31, 2009	D	\$ 35,073.13
Increased by:		
Budget Appropriation Charges	D-5	43,548.00
		<u>\$ 78,621.13</u>
Decreased by:		
Interest Paid	D-6	<u>44,050.52</u>
Balance, December 31, 2010	D	<u>\$ 34,570.61</u>

"D-13"

SCHEDULE OF CONNECTION CHARGES RECEIVABLE

Balance, December 31, 2009 (Overpayment)	D	\$ 550.00
Increased by:		
Charges Levied	D-1:D-4	93,500.00
		<u>\$ 94,050.00</u>
Decreased by:		
Collections	D-6	<u>93,500.00</u>
Balance, December 31, 2010(Overpayment)	D	<u>\$ 550.00</u>

"D-14"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2009	D		\$ 616,823.47
Increased by:			
Sewer Charges Levied (Net)			9,746,960.47
			<u>\$ 10,363,783.94</u>
Decreased By:			
Collections	D-6	\$ 9,990,410.76	
Prepaid Applied	D-27	8,824.98	
Transfer to Liens	D-28	399.00	
Sewer Overpayments Applied	D-22	2,733.57	
Tax Overpayments Applied	D-11	4,519.09	
			<u>10,006,887.40</u>
Balance, December 31, 2010	D		<u>\$ 356,896.54</u>

"D-15"

SCHEDULE OF RESERVE FOR ASSESSMENTS AND LIENS

Balance, December 31, 2009 and December 31, 2010	D		<u>\$ 995,438.44</u>
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"D-16"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>BALANCE DECEMBER 31, 2009 &amp; 2010</u>
01-19:04-01	Design & Upgrade to Gilbride Pump Station	06/18/01	\$ 1,264,500.00
01-34	Infiltration & Inflow Program in Finderne Section	11/19/01	100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	120,000.00
06-12	Pick-Up Truck w / Snow Plow	04/03/06	50,000.00
09-10	Improvements to the Sanitary Sewer System	06/15/09	<u>1,300,000.00</u>
			<u>\$ 2,834,500.00</u>
		<u>REF.</u>	D

"D-17"

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2009 &amp; 2010</u>	
Bridgewater Trunk Sewer	\$ 1,040,000.00	
Somerset Shopping Center Trunk Sewer Crossing #3 Trunk Sewer and North Branch Trunk Sewer Section 2	1,200,000.00	
North Branch Trunk Sewer Connection	2,915,519.36	
Vanderveer Trunk	300,000.00	
Improvements to Ivy Lane	126,034.63	
Purchase of Equipment	290,930.87	
Middlebrook Trunk Sewer Connection	<u>8,588,727.14</u>	
	<u>\$ 14,461,212.00</u>	
	<u>REF.</u>	D

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF CONFIRMATION</u>	<u>INSTALLMENTS</u>	<u>DUE DATES</u>	<u>BALANCE DECEMBER 31, 2009 &amp; 2010</u>	<u>BALANCE PLEDGED TO RESERVE</u>
76-13	Sunset Lake Section II Sewer	02/24/83	10	3/24/83-92	\$ 845.99	\$ 845.99
76-3	Milktown 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, 2009	D		\$ 261,315.41
Increased by:			
2010 Appropriations	D-5	\$ 131,813.01	
2009 Appropriation Reserves	D-20	<u>19,482.70</u>	
			\$ <u>151,295.71</u>
Decreased by:			
Disbursements	D-6	\$ 2,950.00	
Accounts Payable Canceled	D-1	121,026.73	
2009 Appropriation Reserves	D-20	<u>111,204.59</u>	
			<u>235,181.32</u>
Balance, December 31, 2010	D		\$ <u><u>177,429.80</u></u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2009	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 16,810.24	\$ 16,810.24	\$ 12,536.51	\$ 4,273.73
Other Expenses	253,732.17	364,936.76	236,817.16	128,119.60
Somerset Raritan Valley Sewerage Authority	1,102,343.56	1,102,343.56	93,490.56	1,008,853.00
Statutory Expenditures:				
Contribution to Social Security System	<u>28,782.35</u>	<u>28,782.35</u>	<u>28,336.53</u>	<u>445.82</u>
	<u>\$ 1,401,668.32</u>	<u>\$ 1,512,872.91</u>	<u>\$ 371,180.76</u>	<u>\$ 1,141,692.15</u>

REF.

D  
D-19

D

D-1

\$ 1,401,668.32  
\$ 1,401,668.32  
111,204.59  
\$ 1,512,872.91

D-6  
D-19

\$ 351,698.06  
19,482.70  
\$ 371,180.76

Disbursements  
Accounts Payable

Balance, December 31, 2009  
Transfer of Accounts Payable

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2009 AND 2010</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, 2009	D		\$ 77,184.92
Increased by:			
Receipts	D-6		119,317.05
			\$ <u>196,501.97</u>
Decreased by:			
Overpayments Applied	D-14	\$ 2,733.57	
Refunded	D-6	<u>128,016.25</u>	
			<u>130,749.82</u>
Balance, December 31, 2010	D		\$ <u><u>65,752.15</u></u>

"D-23"

SEWER ASSESSMENT TRUST FUND

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance, December 31, 2009 and December 31, 2010 (Due To)	D		\$ <u><u>39.76</u></u>
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"D-24"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE DECEMBER 31, 2009 &amp; 2010</u>
01-19:04-01	Design and Upgrade to Gilbride Pump Station	06/18/01	\$ 1,236,450.00
01-34	Infiltration and Inflow Program in Finderne Section	11/19/01	100,000.00
01-35	Purchase of Portable Color TV Inspection System	11/19/01	<u>120,000.00</u>
			<u>\$ 1,456,450.00</u>
		<u>REF.</u>	D

"D-25"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2009	D		\$ 13,368,606.13
Increased by:			
EIT Loan Payable Paid by Operating Budget	D-31	\$ 18,265.52	
Serial Bonds Paid by Operating Budget	D-30	<u>95,000.00</u>	
			<u>113,265.52</u>
Balance, December 31, 2010	D		\$ <u>13,481,871.65</u>

"D-26"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2009	D		\$ 509,060.36
Increased by:			
Charges to Improvement Authorizations	D-29		<u>145,157.73</u>
			\$ <u>654,218.09</u>
Decreased by:			
Disbursements	D-6		<u>289,401.56</u>
Balance, December 31, 2010	D		\$ <u>364,816.53</u>

"D-27"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
SCHEDULE OF PREPAID SEWER CHARGES

	<u>REF.</u>	
Balance, December 31, 2009	D	\$ 8,824.98
Increased by:		
Receipts	D-6	10,762.12
		\$ <u>19,587.10</u>
Decreased by:		
Prepaid Applied	D-14	<u>8,824.98</u>
Balance, December 31, 2010	D	\$ <u><u>10,762.12</u></u>

"D-28"

SCHEDULE OF RESERVE FOR SEWER UTILITY LIENS RECEIVABLE

Balance, December 31, 2009		\$ 475.18
Increased by:		
2010 Sewer Charges Accrued	D-14	<u>399.00</u>
Balance, December 31, 2010	D	\$ <u><u>874.18</u></u>

"D-29"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE, DECEMBER 31, 2009		PAID OR CHARGED	BALANCE, DECEMBER 31, 2010	
			FUNDED	UNFUNDED		FUNDED	UNFUNDED
Capital:							
01-19:04-01	Design & Upgrade to Gilbride Pump Station	\$ 729,000.00	\$ 70,641.42	\$ 1,275.00	\$ 746.98	\$ 69,894.44	\$ 1,275.00
01-34	Infiltration & Inflow Program in Findeme Section	100,000.00	89,825.93			89,825.93	
01-35	Purchase of Portable Color TV Inspection System	120,000.00	2,074.90	307.57		2,074.90	307.57
06-12	to Evaluate & Maintain Mun. Sanitary Collection	50,000.00					
09-10	Pick-Up Truck w/ Snow Plow	1,300,000.00		830,965.55	144,410.75	100,387.80	586,167.00
	Improvements to the Sanitary Sewer System						
		\$	162,542.25	832,548.12	145,157.73	262,183.07	587,749.57

REF.

D

D

D-26

D

D

D

REF.



"D-31"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>REF.</u>	
Increased by:		
Sale of Loans	D-33	\$ <u>713,833.00</u>
Decreased by:		
Loans Paid by Budget	D-25	<u>18,265.52</u>
Balance, December 31, 2010	D	\$ <u><u>695,567.48</u></u>

"D-32"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

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

"D-33"

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST RECEIVABLE

Increased by:		
Sale of EIT Loans	D-31	\$ <u>713,833.00</u>
Decreased by:		
Receipts	D-6	<u>372,054.00</u>
Balance, December 31, 2010	D	\$ <u><u>341,779.00</u></u>

"D-34"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON LOANS

	<u>REF.</u>		
Increased by:			
Budget Appropriation Charges	D-5	\$	7,848.00
Decreased by:			
Interest Paid	D-6		<u>4,723.00</u>
Balance, December 31, 2010	D	\$	<u><u>3,125.00</u></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, 2010</u>
	Sewer Utility Capital Fund:		
98-11	Purchase of Equipment	\$	380.87
01-19:04-01	Design & Upgrade to Gilbride Pump Station		1,275.00
06-12	Pick-Up Truck w / Snow Plow		50,000.00
09-10	Improvements to the Sanitary Sewer System		<u>586,167.00</u>
		\$	<u><u>637,822.87</u></u>



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

	<u>REF.</u>	<u>PUBLIC ASSISTANCE TRUST FUND 1</u>	<u>PUBLIC ASSISTANCE TRUST FUND 2</u>
Balance, December 31, 2009	E	\$ 6,462.53	\$ 100,436.22
Increased by Receipts:			
State Aid for Public Assistance and Other Receipts		195.00	354,515.39
		\$ <u>6,657.53</u>	\$ <u>454,951.61</u>
Decreased by Disbursements:			
Reserve For:			
Public Assistance		<u>1,511.23</u>	<u>318,947.47</u>
Balance, December 31, 2010	E	\$ <u><u>5,146.30</u></u>	\$ <u><u>136,004.14</u></u>

TOWNSHIP OF BRIDGEWATERPUBLIC ASSISTANCE TRUST FUNDSCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION PER N.J.S.A.40A:5-5

Balance, December 31, 2010	\$ 141,150.44
Increased by:	
Receipts	6,019.34
	<u>\$ 147,169.78</u>
Decreased by:	
Disbursements	66,983.07
Balance, February 28, 2011	<u>\$ 80,186.71</u>

RECONCILIATION - FEBRUARY 28, 2011	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of TD Banknorth:			
Account #398-3034572	\$ 3,824.70	\$	\$ 3,824.70
PNC Bank:			
Account #80-3235-8177		86,368.08	86,368.08
Account #81-0395-2342	2,903.18		2,903.18
	<u>\$ 6,727.88</u>	<u>\$ 86,368.08</u>	<u>\$ 93,095.96</u>
Add: Bank Error			0.00
Less: Outstanding Checks	<u>(468.00)</u>	<u>(12,441.25)</u>	<u>(12,909.25)</u>
Balance, February 28, 2011	<u>\$ 6,259.88</u>	<u>\$ 73,926.83</u>	<u>\$ 80,186.71</u>

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION AS OF DECEMBER 31, 2010

Balance, December 31, 2009	\$	106,898.75
Increased by:		
Receipts		354,710.39
	\$	<u>461,609.14</u>
Decreased by:		
Disbursements		<u>320,458.70</u>
Balance, December 31, 2010	\$	<u><u>141,150.44</u></u>

	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>P.A.T.F. II</u> <u>ACCOUNT</u>	<u>TOTAL</u>
RECONCILIATION - DECEMBER 31, 2010			
Balance on Deposit Per Statement of			
TD Banknorth:			
Account #398-3034572	\$ 4,291.52	\$	\$ 4,291.52
PNC Bank:			
Account #80-3235-8177		153,571.10	153,571.10
Account #81-0395-2342	<u>1,322.78</u>		<u>1,322.78</u>
	\$ <u>5,614.30</u>	\$ <u>153,571.10</u>	\$ <u>159,185.40</u>
Less: Outstanding Checks (Per List on File)	<u>(468.00)</u>	<u>(17,566.96)</u>	<u>(18,034.96)</u>
Balance, December 31, 2010	\$ <u><u>5,146.30</u></u>	\$ <u><u>136,004.14</u></u>	\$ <u><u>141,150.44</u></u>

"E-4"

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE REVENUES  
YEAR ENDED DECEMBER 31, 2010

	<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	\$	\$ 313,900.00	\$ 313,900.00
Supplemental Security Income:			
State / Municipal Refund		36,525.25	36,525.25
Client Refund		3,830.00	3,830.00
Interest and Other	<u>195.00</u>	<u>260.14</u>	<u>455.14</u>
<u>TOTAL REVENUES (P.A.T.F.)</u>	<u>195.00</u>	<u>354,515.39</u>	<u>354,710.39</u>

"E-5"

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010

Current Year Assistance (Reported):			
Maintenance Payments		\$ 162,753.29	\$ 162,753.29
Other:			
Temporary Rental Assistance		107,004.44	107,004.44
Emergency Assistance		41,825.40	41,825.40
Transportation		1,430.79	1,430.79
Other		3,494.55	3,494.55
<u>Total Reported</u>		<u>\$ 316,508.47</u>	<u>\$ 316,508.47</u>
Ineligible Assistance	1,511.23		1,511.23
Assistance Underclaimed	<u>1,511.23</u>	<u>2,439.00</u>	<u>2,439.00</u>
<u>TOTAL DISBURSEMENTS (P.A.T.F.)</u>	<u>\$ 1,511.23</u>	<u>\$ 318,947.47</u>	<u>\$ 320,458.70</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 ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 04-04

SCHEDULES OF EXPENDITURES OF FEDERAL  
AWARDS AND STATE FINANCIAL ASSISTANCE

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



**SUPLEE, CLOONEY & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited the accompanying financial statements - statutory basis of the Township of Bridgewater, County of Somerset, New Jersey as of and for the year ended December 31, 2010, and have issued our report thereon dated April 11, 2011. 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. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

## SUPLEE, CLOONEY & COMPANY

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

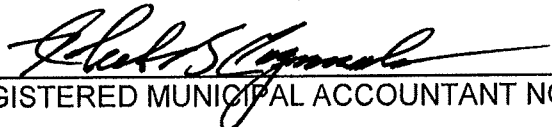
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies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

### Compliance and Other Matters

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

April 11, 2011



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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

## Compliance

We have audited the compliance of the Township of Bridgewater, County of Somerset, with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that are applicable to each of its major state programs for the year ended December 31, 2010. The Township of Bridgewater's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Township of Bridgewater's management. Our responsibility is to express an opinion on the Township of Bridgewater's compliance based on our audit.

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

In our opinion, the Township of Bridgewater complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2010.



# SUPLEE, CLOONEY & COMPANY

## Internal Control Over Compliance

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

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

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

April 11, 2011

TOWNSHIP OF BRIDGEWATER  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

FEDERAL C.F.D.A. NUMBER	FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	GRANTOR'S NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD FROM TO	2010 RECEIPTS	2010 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2010
	<u>U.S. Department of Housing and Urban Development</u>						
	Pass-Through From County of Somerset Community Development Block Grants:						
14.218	Youth Development Program	06-Y0681	\$ 13,734.00	9/1/08 8/31/09	\$ 2,184.00	\$ 2,184.00	\$ 13,734.00
14.218	Youth Development Program	06-Y0601	7,776.00	9/1/09 8/31/10	2,184.00	2,184.00	13,734.00
	<u>U.S. Department of Justice</u>						
16.607	Federal Bulletproof Partnership Program - FY 2007		\$ 11,550.00	Continuous	1,668.02	2,857.05	11,550.00
16.607	Federal Bulletproof Partnership Program - FY 2009		7,087.50	Continuous	5,750.57	5,356.92	5,356.92
16.607	Federal Bulletproof Partnership Program - FY 2010		10,143.00	Continuous			
16.710	COPS Technology	2008CKVXO444	150,000.00	Continuous	149,457.56	40,106.56	149,957.56
16.710	School Based Partnership	99-SBWVX-0041	51,271.00	8/1/99 7/31/00			51,271.00
	<u>Pass-Through From County of Somerset</u>						
16.738	ARRA-Justice Assistance Grant (JAG) Program	2009-SB-89-1867	10,800.00	5/15/09 2/28/13	156,876.15	10,800.00	10,800.00
	<u>U.S. Department of Transportation</u>						
20.601	Alcohol Impaired Driving Countermeasure Incentive Grant	AL10-10-04-109	\$ 5,000.00	12/7/09 1/3/10	2,275.00	2,375.00	2,375.00
20.613	Child Passenger Safety Grant	OP10-1-01-09	5,500.00	10/1/09 10/31/10	5,477.36	5,477.36	5,477.36
	<u>U.S. Department of Energy</u>						
81.128	Energy Efficiency & Conservation Strategy	DE - EE0002430	\$ 199,200.00	9/29/09 10/20/09	17,000.00	97,911.04	102,911.04
	<u>U.S. Department of Health and Human Services</u>						
93.069	Local Public Health Response to H1N1	10-949-BT-L-1	\$ 25,800.00	10/1/09 7/30/12		14,323.61	14,323.61
	<u>U.S. Department of Homeland Security</u>						
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	\$ 10,000.00	Continuous		110.00	6,604.14
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous	5,000.00		
97.078	Chemical Buffer Zone Protection Program	2006-BZ-T6-0051	412,783.00	9/29/06 9/30/10	137,033.00	217,856.28	217,856.28
					142,033.00	217,966.28	224,460.42
	<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>		\$		\$ 325,845.51	\$ 399,357.82	\$ 592,216.91

TOWNSHIP OF BRIDGEWATER

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2010**

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT AWARD AMOUNT	2010 RECEIPTS	2010 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2010
<u>Department of Environmental Protection</u>					
Clean Communities Program					
2009	4900-765-042-4900-004-VCMC-6020	\$ 75,005.18		\$ 43,738.14	\$ 75,005.18
2010	4900-765-042-4900-004-VCMC-6020	77,955.83	77,955.83	38,320.34	38,320.34
Recycling Tonnage Program					
2009	4900-752-042-4900-001-V42Y-6020	153,198.06		100,000.00	142,866.98
Environmental Services Program					
2002	4800-100-042-4800-090-V78X-6120	2,500.00	0.00	0.00	0.00
Public Water Supply Contract					
Stormwater Regulation Program					
2006		97,350.00	0.00	0.00	97,350.00
Middlebrook Trails Program - 2005					
2006	4875-100-042-4875-353-V22G-6020	20,619.00	0.00	0.00	15,821.00
Middlebrook Trails Construction - 2002					
2002		25,000.00	0.00	0.00	17,303.45
Hazardous Discharge Site Remediation - EDA					
2002	P24813	18,960.00	0.00	1,593.62	17,307.18
Hazardous Discharge Site Remediation - EDA					
2002	P29818	109,054.00	0.00	0.00	99,140.00
		308,846.00	226,670.00	308,846.00	308,846.00
		\$	\$ 304,625.83	\$ 492,498.10	\$ 811,960.13
<u>Department of Law and Public Safety</u>					
Safe and Secure Communities Program					
Drunk Driving Enforcement Fund					
2009	1020-100-066-232-YCJF-6120	60,000.00	60,000.00	60,000.00	60,000.00
2010					
	6400-100-078-6400-YYYY	20,431.82	0.00	3,069.46	20,431.82
Unappropriated					
Alcohol Education Rehabilitation Fund					
2006	6400-100-078-6400-YYYY	26,704.94	0.00	17,056.39	17,056.39
2007		20,679.41	20,679.41	0.00	0.00
2008		5,170.26	0.00	608.22	5,170.26
2009	9735-760-098-Y900-001-X100-6020	2,706.26	0.00	2,706.26	2,706.26
2010	9735-760-098-Y900-001-X100-6020	5,515.19	0.00	5,515.19	5,515.19
Body Armor Replacement Fund					
2009	9735-760-098-Y900-001-X100-6020	7,843.21	0.00	895.33	895.33
2010	9735-760-098-Y900-001-X100-6020	3,669.93	3,669.93	0.00	0.00
		7,550.39	0.00	7,063.88	7,550.39
		8,872.55	8,872.55	850.10	850.10
		\$	\$ 93,221.89	\$ 97,764.83	\$ 120,175.74
<u>Pass Through from County of Somerset</u>					
Municipal Alliance on Alcoholism and Drug Abuse					
2009	SC-ALL-09-03	\$ 39,673.00	\$ 17,060.36	\$ 0.00	\$ 39,673.00
2010	SC-ALL-10-03	39,673.00	30,765.96	39,673.00	39,673.00
		\$	\$ 47,825.72	\$ 39,673.00	\$ 79,346.00

TOWNSHIP OF BRIDGEWATER

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2010

<u>STATE GRANTOR/PROGRAM TITLE</u>	<u>STATE ACCOUNT NUMBER</u>	<u>GRANT AWARD AMOUNT</u>	<u>2010 RECEIPTS</u>	<u>2010 EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES DECEMBER 31, 2010</u>
<u>Department of Human Services</u>					
Public Assistance-State Share	7550-150-054-7550-121-LLL-6020	\$ 318,957.47	\$ 313,900.00	\$ 318,957.47	\$ 318,957.47
<u>Department of Health and Senior Services</u>					
Public Health Priority Funding					
2008	4220-100-046-4535-109-J002-6020	\$ 7,846.00	\$ 0.00	\$ 4,317.00	\$ 5,829.00
2009	4220-100-046-4535-109-J002-6020	9,537.00	0.00	0.00	0.00
2010	4220-100-046-4535-109-J002-6020	10,590.00	5,492.00	0.00	0.00
Tobacco Age of Sale - 2006	4240-100-046-4213-130-J002-6120	3,180.00	0.00	0.00	3,180.00
Tobacco Age of Sale - 2007	4240-100-046-4213-130-J002-6120	1,560.00	0.00	0.00	1,560.00
Tobacco Age of Sale - 2008	4240-100-046-4213-130-J002-6120	1,140.00	0.00	0.00	0.00
Tobacco Age of Sale - 2009	4240-100-046-4213-130-J002-6120	1,320.00	0.00	0.00	0.00
Electronic Death Registration Grant		3,000.00	0.00	97.48	2,999.99
Hepatitis B Inoculation Fund	4230-100-046-4781-241-J002-3890	1,642.00	0.00	429.93	529.93
		\$	\$ 5,492.00	\$ 4,844.41	\$ 14,098.92
<u>Department of Community Affairs</u>					
Smart Future Planning	8070-100-022-8070-039	\$ 60,000.00	\$ 20,000.00	\$ 8,558.76	\$ 50,058.76
Domestic Violence Training	8051-100-022-8051-018	225.22	0.00	0.00	0.00
911 General Assistance Grant	2034-100-082-SBE7-050-JDAB-6120	40,805.00	0.00	0.00	40,803.75
		\$	\$ 20,000.00	\$ 8,558.76	\$ 90,862.51
<u>Department of Transportation</u>					
Crim Road	07-480-078-6320-AJZ-6010	\$ 128,000.00	\$ 82,660.32	\$ 0.00	\$ 82,660.32
Country Club Road	08-480-078-6320-AJ3-6010	118,000.00	78,285.00	(1,258.14)	107,022.58
Repairing U.S.Route 22	08-480-078-6320-AJ3-6010	225,000.00	0.00	108,064.45	108,064.45
Brown Road	10-480-078-6320-AKN-6010	150,000.00	0.00	0.00	0.00
		\$	\$ 160,945.32	\$ 106,806.31	\$ 297,747.35
<u>TOTAL STATE AID AND STATE GRANT FINANCIAL ASSISTANCE</u>		\$	\$ 946,010.76	\$ 1,069,102.88	\$ 1,733,148.12

TOWNSHIP OF BRIDGEWATER

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

YEAR ENDED DECEMBER 31, 2010

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 - statutory 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 - STATUTORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's statutory 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	\$ 325,845.51	\$ 632,110.76	\$ 69,977.52	\$ 1,027,933.79
Public Assistance Trust Fund		<u>313,900.00</u>		<u>313,900.00</u>
	<u>\$ 325,845.51</u>	<u>\$ 946,010.76</u>	<u>\$ 69,977.52</u>	<u>\$ 1,341,833.79</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 399,357.82	\$ 750,145.41	\$ 166,918.27	\$ 1,316,421.50
Public Assistance Trust Fund		<u>318,957.47</u>		<u>318,957.47</u>
	<u>\$ 399,357.82</u>	<u>\$ 1,069,102.88</u>	<u>\$ 166,918.27</u>	<u>\$ 1,635,378.97</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, 2010

**Section I - Summary of Auditor's Results**

**Financial Statements**

- |  |               |
|--|---------------|
| (1) Type of Auditor Report Issued:   | Unqualified   |
| (2) Internal Control Over Financial Reporting:   |               |
| (a) Material weakness identified during the audit?   | None Reported |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A           |
| (3) Noncompliance material to the financial statements noted during the audit?             | None Reported |

**Federal Programs(s) - Not Applicable**

**State Program(s)**

- |   |               |
|---|---------------|
| (1) Internal Control Over Major State Programs:   |               |
| (a) Material weakness identified during the audit?  | None Reported |
| (b) Significant deficiencies identified 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>	<u>Grant Period</u>	<u>Type</u>	<u>Award Amount</u>	<u>Amount Expended in 2010</u>
Hazardous Discharge Site Remediation	7550-150-054-7550-121-LLLL-6020	2010	B	\$308,846.00	\$308,846.00

TOWNSHIP OF BRIDGEWATER  
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**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, 2010

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

	YEAR 2010		YEAR 2009	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 3,584,732.98	1.97%	\$ 4,100,076.42	2.25%
Miscellaneous - From Other Than Local Property Tax Levies	15,463,022.06	8.48%	17,769,370.22	9.75%
Collection of Delinquent Taxes and Tax Title Liens	1,554,249.75	0.85%	1,114,908.22	0.61%
Collections of Current Tax Levy	161,788,216.45	88.70%	159,249,292.10	87.39%
<u>Total Revenue</u>	<u>\$ 182,390,221.24</u>	<u>100.00%</u>	<u>\$ 182,233,646.96</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 36,045,498.97	20.09%	\$ 37,438,488.56	20.92%
County Taxes	34,764,775.45	19.38%	32,207,679.10	18.00%
Regional School Taxes	106,302,430.34	59.25%	103,448,998.27	57.80%
Special Fire District Taxes	2,167,745.00	1.21%	2,043,347.00	1.14%
Municipal Open Space Taxes	314.58	0.00%	3,563,598.86	1.99%
Other Expenditures	132,255.76	0.07%	267,849.69	0.15%
<u>Total Expenditures</u>	<u>\$ 179,413,020.10</u>	<u>100.00%</u>	<u>\$ 178,969,961.48</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,977,201.14		\$ 3,263,685.48	
Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	\$ 100,000.00			
Excess in Revenue	\$ 3,077,201.14		\$ 3,263,685.48	
Fund Balance - January 1	4,958,749.50		5,795,140.44	
	\$ 8,035,950.64		\$ 9,058,825.92	
Less: Utilization as Anticipated Revenue	3,584,732.98		4,100,076.42	
Fund Balance, December 31	\$ 4,451,217.66		\$ 4,958,749.50	

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

	YEAR 2010		YEAR 2009	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 413,307.00	3.43%	\$ 287,261.81	2.70%
Collection of Sewer Use Charges	10,006,488.40	83.07%	9,288,533.32	87.41%
Additional Sewer Use Charges			17,398.42	0.16%
Miscellaneous	1,626,303.73	13.50%	1,032,628.19	9.73%
<u>Total Revenue</u>	<u>\$ 12,046,099.13</u>	<u>100.00%</u>	<u>\$ 10,625,821.74</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 9,443,816.79	96.03%	\$ 9,414,850.67	96.67%
Capital Improvements	82,000.00	0.83%		
Deferred Charges and Statutory Expenditures	143,438.00	1.46%	123,124.81	1.26%
Debt Service	164,661.52	1.68%	200,739.75	2.07%
<u>Total Expenditures</u>	<u>\$ 9,833,916.31</u>	<u>100.00%</u>	<u>\$ 9,738,715.23</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,212,182.82		\$ 887,106.51	
Fund Balance, January 1	1,328,708.28		728,863.58	
	\$ 3,540,891.10		\$ 1,615,970.09	
Less: Utilization as Anticipated Revenue	413,307.00		287,261.81	
Fund Balance, December 31	<u>\$ 3,127,584.10</u>		<u>\$ 1,328,708.28</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	<u>\$1.845</u>	<u>\$1.776</u>	<u>\$1.722</u>
Appointment of Tax Rate:			
Municipal	\$0.223	\$0.250	\$0.245
County	0.400	0.362	0.366
Local School	<u>1.222</u>	<u>1.164</u>	<u>1.111</u>

Assessed Valuation:

Year 2010	\$ <u>8,696,846,384.00</u>		
Year 2009		\$ <u>8,883,669,448.00</u>	
Year 2008			\$ <u>9,088,763,868.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>CURRENTLY</u> <u>PERCENTAGE OF COLLECTION</u>
2010	\$163,027,081.24	\$161,788,216.45	99.24%
2009	160,906,330.51	159,249,292.10	98.97%
2008	158,990,775.45	157,721,972.60	99.20%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER 31, YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2010	\$112,632.62	\$1,155,904.30	\$1,268,536.92	0.78%
2009	109,465.18	1,551,308.35	1,660,773.53	1.03%
2008	103,810.84	1,130,804.44	1,234,615.28	0.78%

PROPERTY ACQUIRED BY TAX TITLE  
LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2010	\$422,300.00
2009	422,300.00
2008	422,300.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2010	\$ 4,451,217.66	\$ 3,116,859.31 *
	2009	4,958,749.50	3,584,732.98
	2008	5,795,140.44	4,100,076.42
	2007	5,783,209.01	4,014,277.87
	2006	4,954,676.64	3,258,822.18
Sewer Utility Operating Fund	2010	\$ 3,127,584.09	\$ 308,352.10 *
	2009	1,328,708.27	413,307.00
	2008	728,863.58	287,261.81
	2007	626,136.32	200,000.00
	2006	950,094.34	693,053.05

\* Per Introduced Budget

EQUALIZED VALUATIONS – REAL PROPERTY

<u>Year</u>	
2010	\$9,602,149,823.00
2009	10,249,956,100.00
2008	9,478,432,136.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

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

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

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

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

All of the bonds were examined and were properly executed.



COMMENTS AND RECOMMENDATIONS

## GENERAL COMMENTS

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

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

Effective July 1, 2010, the bid threshold in accordance with N.J.S.A.40A:11-4 was increased to \$26,000.00. 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:

- Digital Video Systems
- Third Party Elevator Inspections
- Road Materials, Improvements and Drainage
- Dry Cleaning of Police Uniforms
- Supply and Delivery of Electricity
- Police Uniforms, Shoes and Leather Gear
- Two 2011 Ford Utility Trucks
- Construction of Playing Field at Crim Road Park
- Purchase of Heavy Duty Truck with Plow
- HVAC and Lighting Improvements – Public Library
- HVAC and Lighting Improvements – Senior Center

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

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 4, 2010 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 31<sup>st</sup>, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable. Sanitary Sewer Charges are fixed at a delinquent rate of 18% per annum on all delinquent charges after the due date.

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

**DELINQUENT TAXES AND TAX TITLE LIENS**

The last tax sale was held on October 22, 2010 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 31<sup>st</sup> of the last five years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2010	19
2009	16
2008	16
2007	12
2006	6

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 2011 Taxes	50
Payments of 2010 Taxes	50
Delinquent Taxes	50
Payment of Sewer Utility Charges	50
Delinquent Sewer Utility Charges	25

OTHER COMMENTS

Interfunds

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

RECOMMENDATIONS

NONE