

TOWNSHIP OF EDGEWATER PARK

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2011

**TOWNSHIP OF EDGEWATER PARK  
COUNTY OF BURLINGTON**

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**TOWNSHIP OF EDGEWATER PARK**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY DATA**

**YEAR ENDED DECEMBER, 31 2011**

**JOHN J. MALEY, JR.**

*Certified Public Accountant*

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**  
**ON BASIC FINANCIAL STATEMENTS**

The Honorable Mayor and Members  
of the Township Committee  
Township of Edgewater Park  
400 Delanco Road  
Edgewater Park, New Jersey 08010

I have audited the accompanying financial statements of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the fiscal years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Township of Edgewater Park's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

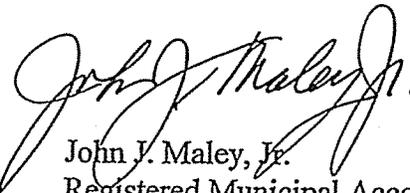
In my opinion, because of the Township of Edgewater Park's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2011 and 2010 or the results of operations of such funds and changes in funds balances for the years then ended.

However, in my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the Township of Edgewater Park, State of New Jersey, as of December 31, 2011 and 2010, and the results of operations of such funds and changes in fund balances for the years then ended in conformity with the basis of accounting described in the Note 1.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 25, 2012 on my consideration of the Township of Edgewater Park's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, taken as a whole. The supplemental schedules of the individual funds listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

Respectfully submitted,



John J. Maley, Jr.  
Registered Municipal Accountant No. 218  
Certified Public Accountant

May 25, 2012

**JOHN J. MALEY, JR.**

*Certified Public Accountant*

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members  
of the Township Committee  
Township of Edgewater Park  
400 Delanco Road  
Edgewater Park, New Jersey 08010

I have audited the basic financial statements of the Township of Edgewater Park, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2011, and have issued my report thereon dated May 25, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In my report my opinion was qualified because the financial statements were prepared on a comprehensive basis of accounting other than generally accepted accounting principles.

Internal Control Over Financial Reporting

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

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, I identified certain deficiencies in internal control over financial reporting that I consider to be material weaknesses.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the deficiencies described in the accompanying General Comments section as Finding 2011-1 to be a material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider the deficiency described in the accompanying General Comments section as Finding 2011-2 to be a significant deficiency.

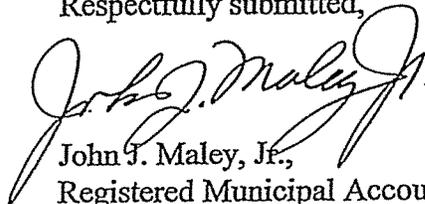
#### Compliance and Other Matters

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

The Township of Edgewater Park's responses to the findings identified in my audit are described in the accompanying schedule of findings and responses. I did not audit the Township of Edgewater Park's responses and, accordingly, I express no opinion on them.

This report is intended solely for the information of the management of the Township of Edgewater Park, the New Jersey State Department of Community Affairs, Division of Local Government Services and other state and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



John J. Maley, Jr.,  
Registered Municipal Accountant No. 218  
Certified Public Accountant

May 25, 2011

**TOWNSHIP OF EDGEWATER PARK**  
**COUNTY OF BURLINGTON**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
<b>Regular Fund:</b>			
Cash:			
Treasurer	A-4	\$2,941,573	2,280,713
Collector	A-3	140,559	163,420
Change Fund		250	250
		<hr/>	<hr/>
Total Regular Fund		3,082,382	2,444,383
		<hr/>	<hr/>
Due from State of New Jersey for Senior Citizen & Veteran Deductions		51,856	34,384
		<hr/>	<hr/>
<b>Receivables &amp; Other Assets With Full Reserves:</b>			
Delinquent Property Taxes Receivable	A-5	333,450	399,167
Tax Title Liens Receivable	A-6	3,508	1,515
Property Acquired for Taxes - Assessed Valuation	A-7	3,094,800	666,000
Revenue Accounts Receivable	A-8	14,049	6,803
Interfunds Receivable:			
Due From Animal Control Fund		55	
Due From Payroll Fund	B	1,928	2,193
		<hr/>	<hr/>
Total Receivables & Other Assets With Full Reserves		3,447,790	1,075,678
		<hr/>	<hr/>
<b>Deferred Charges To Future Taxation:</b>			
Special Emergency Authorizations	A-9	113,200	153,200
		<hr/>	<hr/>
Total Deferred Charges		113,200	153,200
		<hr/>	<hr/>
Subtotal		6,695,228	3,707,645
		<hr/>	<hr/>
<b>Federal &amp; State Grant Fund:</b>			
Cash	A-4	87,984	87,358
Federal & State Aid Receivable	A-12	2,149	1,999
		<hr/>	<hr/>
Total Federal & State Grant Fund		90,133	89,357
		<hr/>	<hr/>
Total Assets		<u>\$6,785,361</u>	<u>3,797,002</u>

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

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
<b>Regular Fund:</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3	\$536,031	638,681
Reserve for Encumbrances	A-3	144,421	60,057
Prepaid Taxes		78,845	101,681
Tax Overpayments		8,924	
Due County for Added & Omitted Taxes		27	630
Special Emergency Notes Payable	A	104,320	144,320
Interfunds Payable - Due to Trust:			
Other Funds	B	258,752	176,037
Interfunds Payable - Due to Capital Fund	C	1,059,485	932,164
Reserve for Revaluation Program	A	13,999	57,966
Reserve for Homeland Security Aid	A	50,000	50,000
<b>Total Liabilities</b>		<u>2,254,804</u>	<u>2,161,536</u>
Reserves for Receivables & Other Assets	A	3,447,790	1,075,678
Fund Balance	A-1	992,634	470,431
<b>Subtotal</b>		<u>6,695,228</u>	<u>3,707,645</u>
<b>Federal &amp; State Grant Fund:</b>			
Unappropriated Reserves	A-13	19,594	24,286
Appropriated Reserves	A-14	70,539	65,071
<b>Total Federal &amp; State Grant Fund</b>		<u>90,133</u>	<u>89,357</u>
<b>Total Liabilities, Reserves &amp; Fund Balance</b>		<u><u>\$6,785,361</u></u>	<u><u>3,797,002</u></u>

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

**TOWNSHIP OF EDGEWATER PARK**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS**  
**AND CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

EXHIBIT A-1

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Utilized		
Miscellaneous Revenue Anticipated	\$256,000	662,346
Receipts From Delinquent Taxes	1,206,813	1,157,324
Receipts From Current Taxes	378,878	286,300
Nonbudget Revenue	14,020,034	13,907,877
Other Credits to Income:	65,866	93,032
Unexpended Balance of Appropriation Reserves		
Due from Animal Control	516,007	362,632
Statutory Excess from Animal Control		51
Federal & State Grants Cancelled	483	3,158
Interfund Liquidated		304
	9,794	1,747
<b>Total Revenue &amp; Other Income Realized</b>	<b>16,453,875</b>	<b>16,474,771</b>
Expenditures:		
Budget & Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,985,735	2,184,290
Other Expenses	1,775,425	1,907,012
Deferred Charges & Statutory Expenditures	497,280	415,789
Operations Excluded From "CAPS":		
Other Expenses	306,391	409,365
Capital Improvements	28,500	7,000
Municipal Debt Service	420,827	422,158
Deferred Charges & Statutory Expenditures	40,000	40,000
County Taxes	2,357,639	2,419,611
Due County for Added & Omitted	27	630
Local District School Tax	7,865,978	7,875,663
Special Fire District Taxes	316,098	309,900
Open Space Tax	62,215	30,767
Interfund Created		133
Refund of Prior Year Revenue	19,557	19,695
	15,675,672	16,042,013
<b>Excess in Revenue to Fund Balance</b>	<b>778,203</b>	<b>432,758</b>
Adjustments to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year		
	778,203	432,758
<b>Statutory Excess to Fund Balance</b>	<b>778,203</b>	<b>432,758</b>
Fund Balance - Balance January 1	470,431	700,019
Decreased by: Utilization as Anticipated Revenue	256,000	662,346
	\$992,634	470,431
<b>Balance December 31, 2011</b>	<b>\$992,634</b>	<b>470,431</b>

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

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	ANTICIPATED BUDGET	SPECIAL N.J.S.40:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$256,000		256,000	
Miscellaneous Revenues:				
Licenses - Alcoholic Beverages	8,000		8,000	
Other Fees & Permits	7,570		10,028	2,458
Municipal Court Fines & Costs	116,833		78,381	(38,452)
Cable TV Fees	26,714		26,027	(687)
Interest & Costs on Taxes	58,037		71,726	13,689
Interest on Investments & Deposits	33,358		25,938	(7,420)
Consolidated Municipal Property Tax Relief	81,677		81,677	
Energy Receipts Tax	594,362		594,362	
Uniform Construction Code Fees	55,354		141,379	86,025
Alcohol Education & Rehabilitation Gra	150		150	
Bulletproof Vest Partnership Grant		669	669	
Recycling Tonnage Grant	22,680		22,680	
Clean Communities Grant		13,829	13,829	
Body Armor Replacement Program	1,603		1,603	
Burlington Coat Factory Agreement	124,936		130,364	5,428
<b>Total</b>	<b>1,131,274</b>	<b>14,498</b>	<b>1,206,813</b>	<b>61,041</b>
Receipts from Delinquent Taxes	255,162		378,878	123,716
Amount to be Raised by Support of Municipal Budget	3,790,560		3,810,594	20,034
Budget Totals	5,432,996	14,498	5,652,285	204,791
Nonbudget Revenues			65,866	
<b>Total</b>	<b>\$5,432,996</b>	<b>14,498</b>	<b>5,718,151</b>	

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

TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$14,020,034
Allocated to School, County & Fire District Taxes	<u>10,601,957</u>
Balance for Support of Municipal Budget Appropriations	3,418,077
Increased by Appropriation - Reserve for Uncollected Taxes	<u>392,517</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$3,810,594</u></u>
Receipts from Delinquent Taxes:	
Taxes Receivable	<u>\$378,879</u>
Total	<u><u>\$378,879</u></u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenues Not Anticipated:	
Reimbursements	\$25,927
Snow Removal	23,851
SC\Vet Reimbursement	2,441
Miscellaneous	<u>13,647</u>
Total	<u><u>\$65,866</u></u>

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

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

OPERATIONS	APPROPRIATIONS		EXPENDED		UNEXPENDE BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>General Government:</b>					
Administrative & Executive:					
Salaries and Wages	\$53,000	53,000	26,000	27,000	
Other Expenses	68,750	56,750	45,910	10,840	
Township Committee:					
Salaries and Wages	14,875	14,875	13,375	1,500	
Other Expenses	1,550	1,550	1,423	127	
Municipal Clerk:					
Salaries and Wages	79,250	79,250	72,822	6,428	
Other Expenses	22,250	22,250	15,181	7,069	
Financial Administration:					
Salaries and Wages	64,750	64,750	57,028	7,722	
Other Expenses	8,000	8,000	7,249	751	
Audit Services	29,100	29,100	29,000	100	
Revenue Administration (Tax Collection):					
Salaries and Wages	56,682	56,682	51,660	5,022	
Other Expenses	12,250	12,250	11,880	370	
Assessment of Taxes:					
Salaries and Wages	18,628	18,628	10,610	8,018	
Other Expenses	5,050	5,050	3,697	1,353	
Legal Services & Costs:					
Other Expenses	62,500	62,500	37,166	25,334	
Engineering Services & Costs:					
Other Expenses	20,000	20,000	18,904	1,096	
Economic Development Committee:					
Other Expenses	1,000	1,000		1,000	
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning Board:					
Salaries and Wages	2,100	2,100	1,600	500	
Other Expenses	5,000	5,000	3,750	1,250	
Insurance:					
Unemployment Compensation					
Insurance	8,000	8,000	6,762	1,238	
Liability Insurance	100,920	100,920	97,020	3,900	
Workers Compensation	100,920	100,920	97,020	3,900	
Employee Group Insurance	440,000	440,000	404,867	35,133	
<b>Public Safety:</b>					
Police:					
Salaries & Wages	1,208,360	1,203,360	1,125,667	77,693	
Other Expenses	105,750	105,750	60,630	45,120	
Office of Emergency Management:					
Other Expenses	250	250	166	84	
First Aid Squad Contributions	32,000	32,000	24,000	8,000	
Municipal Prosecutor:					
Other Expenses	13,500	13,500	13,500		
<b>Public Works Functions:</b>					
Streets & Road Maintenance:					
Salaries & Wages	265,000	265,000	233,592	31,408	
Other Expenses	62,000	71,000	67,709	3,291	
Solid Waste Collection:					
Salaries & Wages	5,000	5,000	4,978	22	
Other Expenses	307,300	307,300	277,330	29,970	
Public Buildings & Grounds:					
Other Expenses	21,950	21,950	19,945	2,005	

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>Health &amp; Welfare:</b>					
Board of Health:					
Salaries and Wages	3,340	3,340	3,173	167	
Other Expenses	1,050	1,050	1,039	11	
Animal Control Services:					
Other Expenses	4,000	4,000	4,000		
<b>Park &amp; Recreation Functions:</b>					
Recreation Services & Programs:					
Other Expenses	7,400	7,400	5,399	2,001	
Maintenance of Parks:					
Other Expenses	4,300	4,300	2,371	1,929	
<b>Uniform Construction Code - Offset by Dedicated Revenues (N.J.A.C.5:23-4.17):</b>					
Construction Code Official:					
Building Inspector:					
Salaries and Wages	92,000	92,000	71,683	20,317	
Other Expenses	13,800	13,800	3,994	9,806	
Sub-Code Officials:					
Plumbing Inspector:					
Salaries and Wages	6,500	6,500	5,916	584	
Electrical Inspector:					
Salaries and Wages	6,500	6,500	5,626	874	
Fire Protection Inspector:					
Salaries and Wages	6,500	6,500	6,032	468	
Utility Expenses & Bulk Purchase:					
Electricity	58,000	58,000	32,715	25,285	
Street Lighting	93,500	93,500	74,853	18,647	
Telephone	26,000	26,000	16,750	9,250	
Water	2,000	4,000	1,416	2,584	
Fuel Oil	20,000	20,000	9,870	10,130	
Telecommunications	18,500	18,500	15,896	2,604	
Gasoline	65,000	70,000	69,848	152	
<b>Municipal Court:</b>					
Municipal Court:					
Salaries and Wages	108,250	108,250	95,178	13,072	
Other Expenses	13,185	14,185	11,408	2,777	
<b>Unclassified:</b>					
Storm Water Sewers:					
Other Expenses	5,000	5,000	3,600	1,400	
Environmental Commission (N.J.S.40:56-1 et. seq.):					
Other Expenses	250	250	250		
Aid to Providence House	1,500	1,500	350	1,150	
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	3,500	3,500	395	3,105	
New Letter:					
Other Expenses	5,400	5,400	5,400		
<b>Total Operations Within "CAPS"</b>	<b>3,761,160</b>	<b>3,761,160</b>	<b>3,287,603</b>	<b>473,557</b>	
<b>Total Operations Including Contingent Within "CAPS"</b>	<b>3,761,160</b>	<b>3,761,160</b>	<b>3,287,603</b>	<b>473,557</b>	

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>OPERATIONS - Within "CAPS"</b>					
Detail:					
Salaries and Wages	1,990,735	1,985,735	1,784,940	200,795	
Other Expenses (Including Contingent)	1,770,425	1,775,425	1,502,663	272,762	
<b>Deferred Charges &amp; Statutory Expenditures - Municipal Within "CAPS":</b>					
Statutory Expenditures:					
Contributions to:					
Police & Fire Pension Fund	234,266	234,266	234,266		
Public Employees Retirement System	97,514	97,514	97,514		
DCRP	500	500		500	
Social Security System (O.A.S.I.)	165,000	165,000	137,717	27,283	
<b>Total Deferred Charges &amp; Statutory Expenditures</b>	497,280	497,280	469,497	27,783	
<b>Total General Appropriations for Municipal Purposes Within "CAPS"</b>	4,258,440	4,258,440	3,757,100	501,340	
<b>Mandated Expenditures Excluded From "CAPS":</b>					
Aid to Library N.J.S.A.40:54-35	2,500	2,500	2,500		
Community Services Act:					
Other Expenses	231,950	231,950	208,426	23,524	
Affordable Housing:					
Other Expenses	30,000	30,000	22,333	7,667	
SFSP Fire District Payment	3,010	3,010	3,010		
Employee Group Insurance					
Contribution to Police & Fire Pension Fund					
Contribution to Public Employees Retirement System					
<b>Public and Private Programs Offset by Revenues:</b>					
Alcohol, Education & Rehabilitation	150	150	150		
Recycling Grant	22,680	22,680	22,680		
Body Armor Replacement Program	1,603	1,603	1,603		
Clean Communities Grant	13,829	13,829	13,829		
Bulletproof Vest Program	669	669	669		
<b>Total Operations Excluded from "CAPS"</b>	306,391	306,391	275,200	31,191	
Detail:					
Other Expenses	306,391	306,391	275,200	31,191	

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
OPERATIONS - Excluded from "CAPS"					
Capital Improvements:					
Capital Improvement Fund	25,000	25,000	25,000		
Drainage Improvements	3,500	3,500		3,500	
<b>Total Capital Improvement Excluded "CAPS"</b>	<b>28,500</b>	<b>28,500</b>	<b>25,000</b>	<b>3,500</b>	
Municipal Debt Service:					
Payment of Serial Bonds	138,000	138,000	138,000		
Payment of Bond Anticipation Notes	122,000	122,000	122,000		
Interest on Notes	115,500	115,500	115,492		8
Interest on Serial Bonds	46,146	46,146	45,335		811
<b>Total Municipal Debt Service</b>	<b>421,646</b>	<b>421,646</b>	<b>420,827</b>		<b>819</b>
Deferred Charges - Municipal:					
Special Emergency Authorizations	40,000	40,000	40,000		
<b>Total Deferred Charges - Municipal</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>		
<b>Total General Appropriations - Municipal Purposes - Excluded From "CAPS"</b>	<b>796,537</b>	<b>796,537</b>	<b>761,027</b>	<b>34,691</b>	<b>819</b>
Subtotal General Appropriation Items	5,054,977	5,054,977	4,518,127	536,031	819
Reserve For Uncollected Taxes	392,517	392,517	392,517		
<b>Total General Appropriations</b>	<b>\$5,447,494</b>	<b>5,447,494</b>	<b>4,910,644</b>	<b>536,031</b>	<b>819</b>
Budget		\$5,432,996			
Appropriation by 40A:4-87		14,498			
<b>Total</b>		<b>\$5,447,494</b>			
Deferred Charges:					
Special Emergency Authorization			\$40,000		
Due to General Capital Fund			25,000		
Reserve for Uncollected Taxes			392,517		
Federal and State Grant Funds			38,931		
Encumbrances			144,421		
Disbursed			4,269,775		
<b>Total</b>			<b>\$4,910,644</b>		

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

**TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
<b>Dog License Fund:</b>			
Cash - Treasurer	B-1	\$11,483	9,399
<b>Total Dog License Fund</b>		<u>11,483</u>	<u>9,399</u>
<b>Other Funds:</b>			
Cash - Treasurer	B-1	191,287	181,527
Cash - Collector	B-1	51,213	13,658
Cash - Payroll		14,299	5,845
Due From Current Fund	A	258,752	176,037
Due From Developers		6,120	5,220
<b>Total Other Funds</b>		<u>521,671</u>	<u>382,287</u>
<b>Total Assets</b>		<u>\$533,154</u>	<u>391,686</u>
<b>LIABILITIES &amp; RESERVES</b>			
<b>Dog License Fund:</b>			
Due to Current Fund	A	\$55	
Reserve for Dog Fund Expenditures	B-2	11,428	9,399
<b>Total Dog License Fund</b>		<u>11,483</u>	<u>9,399</u>
<b>Other Funds:</b>			
Due to Capital Fund	C	31,500	15,000
Due to Current Fund	A	1,928	2,193
Payroll Taxes Payable		12,371	3,652
Escrow Deposits	B-6	229,207	197,169
Redemption of Tax Sale Certificates	B-3	3	3
Recreation Expenditures	B-4	7,793	8,830
Reserve for Tax Sale Premiums	B-5	63,700	43,200
Parking Offenses Adjudication Act Trust Fund	B-8	267	267
Special Law Enforcement Trust Fund	B-7	6,665	2,811
Reserve for Tax Title Lien Redemption	B-9	51,213	13,658
Reserve for Public Defender	B-10	3,341	2,934
Reserve for Restitution	B-11	100	100
Reserve for Open Space	B-12	105,455	85,312
Reserve for Bicycle Patrol Fund	B-13	1,995	1,796
Reserve for Trees Fund	B-14	532	472
Reserve for Off-Duty Police	B-15	3,574	3,363
Reserve for Train Station	B-16	795	795
Reserve for Police Equipment Project	B-17	1,232	732
<b>Total Other Funds</b>		<u>521,671</u>	<u>382,287</u>
<b>Total Liabilities &amp; Reserves</b>		<u>\$533,154</u>	<u>391,686</u>

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

**TOWNSHIP OF EDGEWATER PARK  
GENERAL CAPITAL FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash & Investments			
Due from Current Fund	C-2	\$5,636	5,636
Due from Open Space Trust Fund	A	1,059,485	788,477
Deferred Charges to Future Taxation:	B	31,500	15,000
Funded		2,266,000	2,536,000
Unfunded	C-3	3,767,424	3,441,674
Total Assets		<u>\$7,130,045</u>	<u>6,786,787</u>

**LIABILITIES, RESERVES & FUND BALANCE**

Bond Anticipation Notes	C-8	\$2,698,000	2,905,000
Serial Bonds	C-7	2,266,000	2,536,000
Improvement Authorizations:			
Funded	C-5	164,852	162,722
Unfunded	C-5	1,581,400	1,026,649
Capital Improvement Fund	C-4	14,298	5,048
Reserves for:			
Repayment of Bond Anticipation Notes	C-2	254,127	
Fund Balance	C-1	151,368	151,368
Total Liabilities, Reserves & Fund Balance		<u>\$7,130,045</u>	<u>6,786,787</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$1,069,424 and on December 31, 2010 of \$464,674.

EXHIBIT C-1

**TOWNSHIP OF EDGEWATER PARK  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 &amp; 2010

\$151,368

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

## EXHIBIT E

**TOWNSHIP OF EDGEWATER PARK  
GENERAL FIXED ASSETS  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

	2011	2010
General Fixed Assets:		
Land	\$1,341,943	\$1,351,943
Buildings & Contents	1,985,071	1,980,581
Vehicles	418,019	470,313
	<hr/>	<hr/>
Total	\$3,745,033	3,802,837
	<hr/> <hr/>	<hr/> <hr/>
Total Investment in General Fixed Assets	\$3,745,033	3,802,837
	<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF EDGEWATER PARK**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The financial statements of the Township of Edgewater Park, County of Burlington, New Jersey ("the Township"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by *N.J.S.A. 40A:5-5*. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

**B. Descriptions of Funds**

The accounting policies of the Township 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 (the "Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

**Current Fund** - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

**Trust Funds** - the various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** - accounts for receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

**Public Assistance Fund** - the Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the township pursuant to Title 44 of New Jersey statutes.

**C. Basis of Accounting**

**Revenues** - are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

**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

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Note 1. Summary of Significant Accounting Policies (continued):**

December 31, are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31<sup>st</sup> of each year and recorded as liabilities, except for amounts which may be cancelled 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.

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

**Interfunds** – 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.

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

**General Fixed Assets** – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 1. Summary of Significant Accounting Policies (continued):**

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 has not been accounted for separately.

**Budgets** - the Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10<sup>th</sup> of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

**Note 2. Cash and Cash Equivalents and Investments**

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2011, and reported at fair value are as follows:

Type	Maturities	Carrying Value
<b>Deposits:</b>		
Demand Deposits	N/A	\$2,653,905
Certificates of Deposits	4/3/2012	538,220
Certificates of Deposits	6/21/2012	<u>252,159</u>
Total Deposits		<u>\$3,444,284</u>

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 2. Cash and Cash Equivalents and Investments (continued):**

**Reconciliation of Statement of Comparative Balance Sheets:**

Current	\$3,082,382
Dog Trust	11,483
Other Trust	242,500
General Capital	5,636
State and Federal Grants	87,984
Payroll	<u>14,299</u>
 Total Reconciliation of Comparative Balance Sheets	 <u>\$3,444,284</u>

**Custodial Credit Risk** – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$3,747,643 at December 31, 2010. Of the bank balance \$506,250 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$3,629,061 was secured by a collateral pool held by the bank, but not in the Township's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

**Investment Interest Rate Risk** – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2011, are provided in the above schedule.

**Investment Credit Risk** – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or 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 obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;

**TOWNSHIP OF EDGEWATER PARK**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 2. Cash and Cash Equivalents and Investments (continued):**

- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

**Concentration of Investment Credit Risk** – The Township places no limit on the amount it may invest in any one issuer.

**Note 3. Governmental Unit Deposit Protection Act (GUDPA)**

The Township has deposited cash in 2011 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):**

liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the

Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

**Note 4. Debt**

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 4. Debt (continued):**

**A. Borrowing Power**

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding year's equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2011 was \$5,779,297. The Township's remaining borrowing power is \$16,291,832.

The summary of municipal debt for the last three years and the calculation of statutory net debt are presented in the Supplementary Data section of this report.

**B. Pooled Loan Revenue Bonds**

In December of 2003, the Township entered into a lease and agreement with the Burlington County Bridge Commission ("Commission"). This agreement provides the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2003 Governmental Leasing Program). The following is a schedule of annual payments to the Commission for principal and interest:

Year	Principal	Interest	Total
2012	\$ 143,000	\$ 110,666	\$ 253,666
2013	150,000	103,516	253,516
2014	158,000	96,016	254,016
2015	165,000	88,116	253,116
2016	174,000	79,866	253,866
2017-2021	1,007,000	260,131	1,267,131
2022-2023	<u>469,000</u>	<u>31,527</u>	<u>500,527</u>
Total	<u>\$2,266,000</u>	<u>\$ 769,838</u>	<u>\$3,035,838</u>

**C. Special Emergency Note**

A special emergency note was originally authorized in 2009 to fund the revaluation program amounting to \$193,200. The balance of the note was issued July 8, 2011 for \$104,320, maturing July 6, 2012 with interest at 1.6%. The note will be paid in not less than four annual installments.

**Note 5. Lease Obligations**

At December 31, 2011, the Township had lease agreements in effect for the following:

Operating:

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 5. Lease Obligations (continued):**

Operating Leases -- Future minimum rental payments under operating lease agreements are as follows:

Year	Amount
2012	\$ 5,636
2013	5,636
2014	5,636
2015	<u>4,227</u>
Total minimum Lease Payments	<u>\$21,135</u>

Rental payments under operating leases for the year 2011 were \$1,409.

Capital Leases -- Future minimum rental payments under a capital lease agreement for a Public Work vehicle is as follows:

Year	Amount
2012	\$13,930
2013	13,930
2014	13,930
2015	<u>13,930</u>
Total Minimum Lease Payments	55,720
Less: Amount Representing Interest	<u>6,837</u>
Present Value of Net Minimum Lease Payments	<u>\$48,883</u>

Lease payments under Capital leases for the year 2011 were \$13,930.

**Note 6. Compensated Absences**

Full-time employees are entitled to sick leave and vacation days each year in accordance with the current union contracts. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township of Edgewater Park compensates employees for all unused vacation days upon termination or retirement. The current policy also provides for the payment of 75% of unused sick leave accumulated at the rate of pay upon termination or retirement.

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 6. Compensated Absences (continued):**

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2011, accrued benefits for compensated absences are valued at \$328,186.

**Note 7. Deferred Compensation Salary Account**

The Township offers its employees a Deferred Compensation Program in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The program is offered by the Township through two program administrators, PEBSCO & Equitable. The investment fund balance of the program as of December 31, 2011 is \$156,425. The programs, available to all full time employees at their option, permit employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan and all income attributed to those amounts are the exclusive property of the Township of Edgewater Park; subject to the claims of the general creditors of the Township Participants' rights under the plan are equal to those of a general creditor of the Township in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Township would use plan assets to satisfy claims of the general creditors in the future.

Certain provisions of the Job Protection Act of 1997 affect the Plan. Commencing on January 1, 1999, amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. On September 3, 1997, the State of New Jersey implemented new regulations that require all new plans to be in compliance with the provisions of the Act. Since the Township's plan was adopted before August 20, 1996, the date the Act was signed into law, the Township has until January 1, 1999 to amend the plan or adopt a new one that complies with the Act and State regulations.

The Township assumes no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

**Note 8. Pension**

**A. Plan Description**

The Township of Edgewater Park contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State

TOWNSHIP OF EDGEWATER PARK

NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Note 8. Pension (continued):**

of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

**B. Funding Policy**

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 5.5% of their annual covered salary for P.E.R.S through September 30, 2011 and 6.5% thereafter, 8.5% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately 3.77% for P.E.R.S. and 9.41% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Edgewater Park are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$90,630, \$79,004 and \$71,153, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$223,301, \$197,200 and \$170,672, respectively, equal to the required contributions for each year.

**Note 9. Assessments and Collection of Property Taxes**

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Regional School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the "Collector") on or before May 13th.

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 9. Assessments and Collection of Property Taxes (continued):**

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The NJ Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

**Note 10. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	Balance December 31, 2010	Created During 2011	2011 Budget Appropriation	Succeeding Years
Current Fund:				
Emergency Appropriation	\$153,200	-	\$40,000	\$113,200

The Appropriations in the 2011 Budget are not less than required by statute.

**Note 11. Post-Retirement Benefits**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required PERS, to fund post-retirement medical benefits for those State employees who retire after reaching 60 and accumulating 25 years of credited service. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the PERS system. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees. As of June 30, 2010, there were 72,874 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 11. Post-Retirement Benefits (continued):**

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and TPAF. The State paid \$251.1 million toward Chapter 126 benefits for 27,135 eligible retired members in Fiscal Year 2010.

**State Health Benefits Plan Description**

The Township of Edgewater Park contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52: 14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, The Township of Edgewater Park authorized participation in the SHBP's post-retirement benefit program through resolution number 165-2002 on October 23, 2002. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2011 Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf).

**Funding Policy**

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to Edgewater Park Township on a monthly basis. As a participating employer the Authority will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of chapter 75, Public Laws of 1972.

The Township of Edgewater Park contributions to SHBP for the years ended December 31, 2011, 2010, and 2009, were \$39,787, \$55,523, and \$38,410 respectively, which equaled the required contributions for

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 11. Post-Retirement Benefits (continued):**

each year. There were three retired participants eligible at December 31, 2011 and four participants for 2009 and 2008.

**Note 12. Capital Assets**

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2011:

	Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011
Land & Buildings	\$1,351,943		10,000	\$1,341,943
Building	1,980,581	\$ 21,817	29,683	1,985,071
Vehicles	470,313	\$ 62,815	102,753	418,019
Total	<u>\$3,802,837</u>	<u>\$ 84,632</u>	<u>\$ 142,436</u>	<u>\$3,745,033</u>

**Note 13. Joint Insurance Pool**

The Township of Edgewater Park is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability  
Liability Other Than Motor Vehicles  
Property Damage Other Than Motor Vehicles  
Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund publishes its own financial report for the year ended December 31, 2011, which can be obtained from:

Burlington County Municipal Joint Insurance Fund  
P.O. Box 325, Hammonton, New Jersey 08037

**TOWNSHIP OF EDGEWATER PARK**

**NOTES TO FINANCIAL STATEMENTS (continued):**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 14. Fund Balance**

Fund balance as of December 31, 2011 is \$992,634, \$418,000 of which is appropriated in the introduced budget for 2012.

**Note 15. Interfunds**

The following interfunds remained as of December 31, 2011:

<b>Fund</b>	<b>Due From</b>	<b>Due To</b>
Current Fund	\$ 1,983	\$1,318,237
Trust Other	258,752	31,555
General Capital	1,090,985	
Payroll Fund		<u>1,928</u>
Total	<u>\$1,351,720</u>	<u>\$1,351,720</u>

The purpose of these interfunds are short-term borrowings.

TOWNSHIP OF EDGEWATER PARK  
COUNTY OF BURLINGTON

SUPPLEMENTARY DATA

FOR THE YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>CURRENT FUND</u>	<u>FEDERAL &amp; STATE GRANT FUND</u>
Balance December 31, 2010	\$2,280,713	87,358
Increased by Receipts:		
Receipts from Collector	\$14,564,722	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	122,028	
Revenue Accounts Receivable	965,792	
Petty Cash	100	
Miscellaneous Revenue Not Anticipated	65,866	
Due From General Capital Fund	147,500	
Refunds	3,477	
Due From Trust Other Fund	197,910	
Due From Animal Control Fund	4,845	
Due From Current Fund		
State & Federal Grants Receivable		14,498
State & Federal Grant Fund - Unappropriated		19,591
State & Federal Grant Fund - Township Share		
 Total	 <u>16,072,240</u>	 <u>34,089</u>
Subtotal	<u>18,352,953</u>	<u>121,447</u>
Decreased by Disbursements:		
2011 Appropriations	4,269,775	
2010 Appropriation Reserve	182,731	
County Taxes	2,358,269	
Local District School Taxes	7,865,978	
Fire District Taxes	316,098	
Special Emergency Note	40,000	
Due to Other Trust Fund	253,810	
Due to Dog Trust Fund	4,362	
Due to Capital Fund	45,179	
Refunds	3,477	
Reserve for Revaluation Program	43,967	
Petty Cash	100	
Refund of Prior Year Revenue	19,557	
Tax Overpayments	8,077	
Reserve for Federal & State Grant Funds - Appropriated		33,463
 Total Disbursements	 <u>15,411,380</u>	 <u>33,463</u>
Balance December 31, 2011	<u><u>\$2,941,573</u></u>	<u><u>87,984</u></u>

TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF CURRENT CASH AND RECONCILIATION  
PER N.J.S.40A:5-5 - COLLECTOR  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010		\$163,420
Increased by Receipts:		
Interest & Cost on Taxes	\$72,237	
Taxes Receivable	14,157,220	
Prepaid Taxes	78,845	
Interest Earnings	4,745	
Due to Other Trust(Tax Sale Premium)	76,400	
Payment In-Lieu of Tax	130,364	
Tax Overpayments	26,795	14,546,606
Subtotal		14,710,026
Decreased by Disbursements:		
Payments to Treasurer	14,564,722	
Due to Current	4,745	14,569,467
Balance December 31, 2011		<u><u>\$140,559</u></u>

TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2011

YEAR	BALANCE DECEMBER 31, 2010	2011 LEVY	COLLECTED 2010	COLLECTED 2011	DUE FROM STATE OF NEW JERSEY	OVER- PAYMENTS APPLIED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2011
2006	\$2,495	1,250		3,061					684
2007		1,000		333					667
2008	1,719	1,500		2,319					900
2009	12,367	1,000		5,659					7,708
2010	382,586			366,997		510		698	14,381
Total	399,167			378,369		510		698	24,340
2011		14,396,898	101,681	13,778,851	139,502		66,458	1,296	309,110
Total	\$399,167	14,396,898	101,681	14,157,220	139,502	510	66,458	1,994	333,450

Cash Receipts \$14,157,220

Total \$14,157,220

ANALYSIS OF 2011 PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$14,079,686
Added Taxes (54:4-63.1 et seq)	<u>317,212</u>
Total	<u>\$14,396,898</u>

Tax Levy:	
Local District School Tax (Abstract)	\$7,865,978
Open Space	62,215
Fire District Tax (Abstract)	316,098
County Taxes:	
County Tax (Abstract)	\$1,925,544
County Open Space Tax (Abstract)	249,091
County Library Tax (Abstract)	183,004
Due County for Added & Omitted Taxes	<u>27</u>
	2,357,666

Local Tax For Municipal Purposes	3,790,560
Add: Additional Tax Levy	<u>4,381</u>
	<u>3,794,941</u>

Total Levy \$14,396,898

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT A-6

Balance December 31, 2010	\$1,515
Increased by:	
Transfer From Taxes Receivable - 2011	<u>1,993</u>
Balance December 31, 2011	<u><u>3,508</u></u>

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)  
FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT A-7

Balance December 31, 2010	\$666,000
Increased by:	
Adjustment to Assessed Value Per Reassessment	<u>2,428,800</u>
Balance December 31, 2011	<u><u>3,094,800</u></u>

TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND

STATEMENT OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED BY TREASURER	COLLECTED BY TAX COLLECTOR	RECEIVABLE DECEMBER 31, 2010
Municipal Clerk:					
Licenses:					
Alcoholic Beverages		8,000			
Interest Earned on Deposits		25,938			
Burlington Coat Factory Agreement		130,364		130,364	
Fees & Permits Other	\$603	9,569	10,028		144
Construction Code Official:					
Fees & Permits	1,630	149,601	141,379		9,852
Municipal Court:					
Fines & Fees	\$4,570	77,864	78,381		4,053
Cable Television Fees		26,027	26,027		
Energy Receipts Tax		594,362	594,362		
Consolidated Municipal Property Tax Relief		81,677	81,677		
<b>Total</b>	<b>\$6,803</b>	<b>1,103,402</b>	<b>965,792</b>	<b>130,364</b>	<b>14,049</b>

STATEMENT OF DEFERRED CHARGES - N.J.S.40A:55-53  
SPECIAL EMERGENCY AUTHORIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2011

DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2010	AUTHORIZED IN 2010	RAISED IN 2011 BUDGET	BALANCE DECEMBER 31, 2011
9/12/08	Tax Maps	16,000	3,200	\$9,600		\$3,200	6,400
10/06/09	Revaluation	180,400	36,080	\$143,600		\$36,800	106,800
	<b>Total</b>			<b>\$153,200</b>		<b>40,000</b>	<b>113,200</b>

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF 2010 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
<b>General Government:</b>				
Administrative & Executive:				
Salaries and Wages	\$20,088	20,088		20,088
Other Expenses	29,012	29,012	11,914	17,098
Township Committee:				
Salaries and Wages	1,322	1,322		1,322
Other Expenses	85	85	19	66
Municipal Clerk:				
Salaries and Wages	5,405	5,405		5,405
Other Expenses	5,513	5,513	5,400	113
Financial Administration:				
Salaries and Wages	9,948	9,948		9,948
Other Expenses	2,646	2,646	2,463	183
Audit Services	1,500	1,500		1,500
Assessment of Taxes:				
Salaries and Wages	2	2		2
Other Expenses	1,353	1,353		1,353
Collection of Taxes:				
Salaries and Wages	2,725	2,725		2,725
Other Expenses	2,858	2,858	598	2,260
Engineering Services & Costs:				
Other Expenses	20,356	20,356	17,594	2,762
Legal Services & Costs:				
Other Expenses	20,351	20,351	2,985	17,366
Economic Development Committee:				
Other Expenses	100	100		100
Municipal Land Use Law (N.J.S.A.40:55D-1):				
Planning Board:				
Salaries and Wages	400	400		400
Other Expenses	2,072	2,072	1,715	357
Unemployment Compensation				
Insurance	1,383	1,383		1,383
Employee Group Insurance	64,876	64,876	49,436	15,440
<b>Public Safety:</b>				
Police:				
Salaries and Wages	87,377	87,377		87,377
Other Expenses	27,139	27,139	7,216	19,923
Office of Emergency Management:				
Other Expenses	250	250		250
Municipal Prosecutor:				
Other Expenses	1,125	1,125		1,125
<b>Streets &amp; Roads:</b>				
Road Repairs & Maintenance:				
Salaries and Wages	4,136	4,136		4,136
Other Expenses	6,666	6,666	4,180	2,486
Solid Waste Collection:				
Other Expenses	93,598	93,598	10,972	82,626
Public Buildings & Grounds:				
Other Expenses	7,333	7,333	513	6,820

**TOWNSHIP OF EDGEWATER PARK**  
**CURRENT FUND**  
**STATEMENT OF 2010 APPROPRIATION RESERVES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
<b>Health &amp; Welfare:</b>				
Public Health Services:				
Salaries and Wages	363	363		363
Other Expenses	588	588	241	347
<b>Parks &amp; Recreation:</b>				
Recreation Services & Programs:				
Salaries and Wages				
Other Expenses	6,986	6,986	5,012	1,974
Maintenance of Parks:				
Other Expenses	2,426	2,426		2,426
<b>Utility Expenses &amp; Bulk Purchases:</b>				
Electricity	53,654	53,654	4,209	49,445
Street Lighting	13,325	13,325	8,667	4,658
Telephone	7,091	7,091	1,658	5,433
Water	941	941	156	785
Fuel Oil	6,297	6,297	1,576	4,721
Telecommunications	2,329	2,329	738	1,591
Gasoline	6,126	6,126	6,064	62
<b>Municipal Court:</b>				
Salaries and Wages	6,593	6,593		6,593
Other Expenses	4,060	4,060	641	3,419
<b>Unclassified:</b>				
Storm Water Sewers	3,586	3,586		3,586
Environmental Commission	65	65		65
Senior Citizen Transportation				
News Letter				
Social Security System	6,397	6,397		6,397
DCRP	500	500		500
Construction Code Official:				
Other Expenses	988	988	821	167
<b>Health &amp; Welfare:</b>				
Construction Code Official:				
Building Inspector:				
Salaries and Wages	21,793	21,793		21,793
Electrical Inspector:				
Salaries and Wages	84	84		84
Fire Inspector:				
Salaries and Wages	28	28		28
Plumbing Inspector:				
Salaries and Wages	152	152		152
<b>Total General Appropriations for Municipal Purposes - Within "CAPS"</b>				
	563,991	563,991	144,788	419,203

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
STATEMENT OF 2010 APPROPRIATION RESERVE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - EXCLUDED FROM "CAPS":	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED
<b>Operations Excluded From "CAPS"</b>				
Aid to Providence House	1,500	1,500		1,500
Community Services Act	60,014	60,014	37,396	22,618
Affordable Housing	3,189	3,189	547	2,642
Liability Insurance	3,364	3,364		3,364
Workers Compensation	3,364	3,364		3,364
Employee Group Insurance	63,316	63,316		63,316
Public Employees Retirement System				
Drainage Improvements				
<hr/>				
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	134,747	134,747	37,943	96,804
<hr/>				
Total General Appropriations	\$698,738	698,738	182,731	516,007
<hr/>				
Appropriation Reserves	\$638,680			
Encumbrances Payable	60,058			
Cash Disbursements			182,731	
<hr/>				
Total	\$698,738		182,731	
<hr/>				

**STATEMENT OF LOCAL SCHOOL TAX PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Balance December 31, 2008: School Taxes Payable	\$ -
Increased by: Levy Calendar Year 2009	<u>7,641,340</u>
Subtotal	7,641,340
Decreased by: Payments	<u>7,641,340</u>
Balance December 31, 2009: School Taxes Payable	<u>\$ -</u>

**TOWNSHIP OF EDGEWATER PARK  
FEDERAL AND STATE GRANT FUND  
STATEMENT OF STATE AND FEDERAL GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

PROGRAM	BALANCE DECEMBER 31, 2010	2011 REVENUE	RECEIPTS	CANCELLED	BALANCE DECEMBER 31, 2011
State Grants:					
Alcohol Education & Rehabilitation Management Plan	1,999	150			150 1,999
Clean Communities Grant Over the Limit		13,829	13,829		
Body Armor Replacement Program		1,603	1,603		
Recycling Tonnage Grant		22,680	22,680		
Bullet Proof Vest Program		669	669		
<b>Total State Grants</b>	<b>\$1,999</b>	<b>38,931</b>	<b>38,781</b>		<b>2,149</b>

Cash	\$14,498
Unappropriated	24,283
	<u>\$38,781</u>

**SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

PROGRAM	BALANCE DECEMBER 31 2010	GRANTS RECEIVED	REVENUE IN 2011 BUDGET	BALANCE DECEMBER 31, 2011
Federal & State Grants:				
Recycling Grant	\$22,679	18,154	22,680	18,153
Body Armor Fund	1,605	1,437	1,603	1,439
Clean Communities Grant	1			1
Alcohol Education & Rehabilitation Program	1			1
<b>Total Federal &amp; State Grants</b>	<b>\$24,286</b>	<b>19,591</b>	<b>24,283</b>	<b>19,594</b>

**TOWNSHIP OF EDGEWATER PARK  
CURRENT FUND  
SCHEDULE OF FEDERAL AND STATE GRANTS - APPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

PROGRAM	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM 2011 BUDGET APPROPRIATIONS	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2011
State Grants:					
Clean Communities Grant	\$12,351	13,829	22,199		3,981
Bullet Proof Vest Program		669	669		
Drunk Driving Enforcement Grant	3,058				3,058
Recycling Tonnage Grant	23,097	22,680	10,595		35,182
Green Acres Local Tree Management Plan	3,000				3,000
Alcohol Education & Rehabilitation	7,139	150			7,289
Body Armor Replacement Program		1,603			1,603
Storm Water Regulation	7,936				7,936
Domestic Violence Training Program	4,690				4,690
Domestic Violence - 2009	300				300
Green Communities Grant	3,000				3,000
School Safety Program/ Child Identification	500				500
<b>Total State Grants</b>	<b>\$65,071</b>	<b>38,931</b>	<b>33,463</b>		<b>70,539</b>

TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT TRUST CASH AND RECONCILIATION  
PER N.J.S.40A:5-5 - TREASURER/COLLECTOR  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>DOG LICENSE</u>	<u>OTHER</u>	<u>COLLECTOR</u>	<u>PAYROLL</u>
Balance December 31, 2010	\$9,399	181,527	13,658	5,845
Receipts:				
Due From Dog Registrar	\$6,929			
Payroll Deductions Payable				
Reserve for Tax Title Lien				1,971,458
Reserve for Escrow Fund Deposits		124,968	241,224	
Reserve for Off-Duty Police		16,705		
Reserve for Public Defender		4,907		
Reserve for Open Space		576		
Reserve for Bicycle Patrol Fund		199		
Reserve for Tree Fund		60		
Reserve for Special Law Enforcement Fund		3,854		
Reserve for Police Equipment Project		500		
Total Receipts	<u>6,929</u>	<u>151,769</u>	<u>241,224</u>	<u>1,971,458</u>
Total Receipts & Balances	<u>16,328</u>	<u>333,296</u>	<u>254,882</u>	<u>1,977,303</u>
Disbursements:				
Expenditures Under N.J.S.A.40:19-15.11				
Statutory Excess Due to Current Fund	4,845			
Payroll Deductions Payable				1,963,003
Due to Trust Other Fund				
Planning Board Expenditures		93,829		
Refund of Tax Sale Premium				
Reserve for Public Defender		4,500		
Reserve for Off-Duty Police		16,494		
Reserve for Open Space		26,149		
Reserve for Recreation Trust		1,037		
Reserve for Train Station Fund				
Reserve for Special Law Enforcement Fund				
Due to Current				
Reserve for Tax Title Liens			203,669	
Total Disbursements	<u>4,845</u>	<u>142,009</u>	<u>203,669</u>	<u>1,963,003</u>
Balance December 31, 2011	<u>\$11,483</u>	<u>191,287</u>	<u>51,213</u>	<u>14,300</u>

**TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT TRUST CASH AND RECONCILIATION  
PER N.J.S.40A:5-5 - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**RECONCILIATION DECEMBER 31, 2011**

	DOG LICENSE	OTHER	COLLECTOR	PAYROLL
Balance Per Certification of:				
Beneficial Bank:				
Dog License	\$16,328			
Tax Title Lien Redemption			51,213	
Payroll				48,493
Law Enforcement		19,747		
Open Space		101,572		
Trust Escrow		209,405		
Developer Fees		41,896		
Add: Deposit in Transit		32,084		
Less: Outstanding Checks Per Permanent Record	(4,845)	(223,176)		(34,193)
Balance December 31, 2011	<u>\$11,483</u>	<u>181,528</u>	<u>51,213</u>	<u>14,300</u>

**STATEMENT OF RESERVE FOR DOG FUND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT B-2

Balance December 31, 2010	\$9,399
Increased by:	
Dog License Fees - Collected	<u>6,929</u>
Subtotal	16,328
Decreased by:	
Statutory Excess Due to Current Fund	\$4,845
Due to Current Fund	55
Expenditures Under N.J.S.A.4:19-15.11:	<u>4,900</u>
Balance December 31, 2011	<u><u>\$11,428</u></u>

**LICENSE FEES COLLECTED**

YEAR	AMOUNT
2009	\$4,672
2010	<u>6,756</u>
Total	<u><u>\$11,428</u></u>

EXHIBIT B-3

TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2011 & 2010

\$3

EXHIBIT B-4

STATEMENT OF RESERVE FOR RECREATION EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010

\$8,830

Decreased by:

Recreation Expenditures

1,037

Balance December 31, 2011

\$7,793

EXHIBIT B-5

**TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT OF RESERVE FOR TAX SALE PREMIUMS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$43,200
Increased by:	
Due from Current Fund	\$76,400
Decreased by:	
Cash Disbursements - Refunds	<u>55,900</u>
Balance December 31, 2011	<u><u>\$63,700</u></u>

EXHIBIT B-6

**STATEMENT OF RESERVE FOR PLANNING BOARD REVIEW  
AND INSPECTION FEES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$197,169
Increased by:	
Receipts:	
Interest Earned	\$217
Escrow Fund Deposits - Planning Board	<u>125,650</u>
Subtotal	<u>125,867</u>
Decreased by:	
Disbursements:	
Current Fund	<u>93,829</u>
Balance December 31, 2011	<u><u>\$229,207</u></u>

A permanent record of escrow deposits is on file in the office of the Township Clerk.

EXHIBIT B-7

TOWNSHIP OF EDGEWATER PARK  
STATEMENT OF RESERVE FOR SPECIAL LAW ENFORCEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010		\$2,811
Increased by:		
Cash Receipts	\$3,826	
Interest Earned	28	3,854
	<hr/>	
Balance December 31, 2011		<u><u>\$6,665</u></u>

EXHIBIT B-8

STATEMENT OF RESERVE FOR PARKING OFFENSE ADJUDICATION ACT FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2011 & 2010	<u><u>\$267</u></u>
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EXHIBIT B-9

TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT OF TAX TITLE LIEN REDEMPTION  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010		\$13,658
Increased by:		
Tax Title Lien Deposits	\$241,059	
Interest Earned	165	241,224
		<hr/>
Subtotal		254,882
Decreased by:		
Liens Redeemed	203,504	
Interest Transferred to Current Fund	165	203,669
		<hr/>
Balance December 31, 2011		<u>\$51,213</u>

EXHIBIT B-10

STATEMENT OF PUBLIC DEFENDER  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010		\$2,934
Increased by:		
Public Defender Fees		<hr/> 4,907
Subtotal		7,841
Decreased by:		
Public Defender Bills		<hr/> 4,500
Balance December 31, 2011		<u>\$3,341</u>

EXHIBIT B-11

**TOWNSHIP OF EDGEWATER PARK  
STATEMENT OF RESERVE FOR RESTITUTION  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010	<u><u>\$100</u></u>
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EXHIBIT B-12

**STATEMENT OF RESERVE FOR OPEN SPACE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$85,312
Increased by:		
Due from Current Fund	\$62,215	
Interest Earned	577	62,792
	<u>          </u>	<u>          </u>
Subtotal		148,104
Decreased by:		
Due to Capital Fund	16,500	
Disbursements	26,149	42,649
	<u>          </u>	<u>          </u>
Balance December 31, 2011		<u><u>\$105,455</u></u>

EXHIBIT B-13

**STATEMENT OF BICYCLE PATROL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$1,796
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EXHIBIT B-14

**TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT OF RESERVE FOR TREES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 3, 2010	\$472
Increased by:	
Receipts	<u>60.</u>
Balance December 31, 2011	<u><u>\$532</u></u>

EXHIBIT B-15

**STATEMENT OF RESERVE FOR OFF-DUTY POLICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$3,363
Increased by:	
Receipts	<u>16,705</u>
Subtotal	20,068
Decreased by:	
Salary and Wages	<u>16,494</u>
Balance December 31, 2011	<u><u>\$3,574</u></u>

**TOWNSHIP OF EDGEWATER PARK  
TRUST FUND  
STATEMENT OF RESERVE FOR TRAIN STATION  
FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT B-16

Balance December 31, 2011 & 2010

\$795

**STATEMENT OF RESERVE FOR POLICE EQUIPMENT PROJECT  
FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT B-17

Balance December 31, 2010

\$732

Increased by:

Receipts

500

Balance December 31, 2011

\$1,232

**ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Fund Balance	\$151,368
Capital Improvement Fund	14,298
Due to/(from) Current Fund	(1,059,485)
Due to/(from) Open Space Trust Fund	(31,500)
Reserve to Pay Bond Anticipation Note	219,127
Grant Receivable	35,000
<b>Improvement Authorizations:</b>	
<b>Ordinance Numbers &amp; Descriptions</b>	
08-00 Various Improvements	47,573
15-02 Various Improvements	94,462
20-02 Land Acquisition	(14,168)
07-03 Various Improvements	5,518
09-03 Various Improvements	107,400
09-04 Improvements Along Cooper Street & West Franklin Avenue	46,281
07-04 Drainage Improvements & Equipment	939
19-05 Various Improvements	41,963
10-06 Various Improvements	64,579
08-07, 03-08 Recreation Improvements	16,527
10-07, 02-08 Various Improvements	135,320
04-08 Lincoln Ave Improvements	33,584
09-15 Wieman Field Improvements	(32,950)
04-11 Various Capital Improvements	127,300
04-11 Acquisition of Police Vehicles	2,500
	<hr/>
Total Cash & Investments	<u><u>\$5,636</u></u>

TOWNSHIP OF EDGEWATER PARK  
GENERAL CAPITAL FUND  
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2011

ACCOUNT NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE DECEMBER 31, 2011						UNEXPENDED IMPROVEMENT AUTHORIZATIONS	
		BALANCE DECEMBER 31, 2010	2011 AUTHORIZATIONS	PAID BY BUDGET APPROPRIATION	OTHER	BALANCE DECEMBER 31, 2011	FINANCED BY BOND ANTICIPATION NOTES		GRANT EXPENDITURES
00	Various Improvements	\$75				75			
02	Acquisition of Land	153,399				153,399			
02	Acquisition of Land	141,000		2,000		139,000	116,000		
04	Various Drainage Improvements & Acquisition of Equipment			11,000		278,000	278,000	14,168	
04	Improvements along Cooper St. & West Franklin Ave	425,000				425,000	425,000		
8-06	Various Improvements	101,000		4,000		97,000	97,000		
05	Various Improvements	453,000		21,000		432,000	432,000		
06	Various Improvements	390,000		22,000		368,000	368,000		
07	Various Improvements	705,200		38,000		667,200	537,000		
03-08	Recreation Improvements	220,000		3,000		217,000	217,000	130,200	
08	Lincoln Ave Improvements	249,000		21,000		228,000	228,000		
05	Weiman Field Improvements	158,000				158,000			
01	Various Improvements		669,750		112,500	557,250		32,950	
01	Acquisition of Police Vehicles		47,500			47,500		(112,500)	
	Total	\$3,284,674	717,250	122,000	112,500	3,767,424	2,698,000	47,118	1,134,806

Improvement Authorizations - Unfunded  
Less: Unexpended Proceeds of Bond Anticipation Issued:

- Ordinance No. 09-03 \$107,400
- Ordinance No. 07-04 939
- Ordinance No. 09-04 46,282
- Ordinance No. 19-05 41,963
- Ordinance No. 10-06 64,579
- Ordinance No. 08-07, 03-08 16,527
- Ordinance No. 10-07, 02-08 135,320
- Ordinance No. 04-08 33,584

Total 446,594

\$1,134,806

EXHIBIT C-4

TOWNSHIP OF EDGEWATER PARK  
GENERAL CAPITAL FUND  
STATEMENT OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010	\$10,548
Increased by:	
Budget Appropriation	25,000
Decreased by:	
Down Payment on Bond Ordinances	<u>21,250</u>
Balance December 31, 2011	<u><u>\$14,298</u></u>



TOWNSHIP OF EDGEWATER PARK  
 GENERAL CAPITAL FUND  
 STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
 FOR THE YEAR ENDED DECEMBER 31, 2011

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	2011 AUTHORIZATIONS	FUNDED BY BUDGET APPROPRIATION	BOND ANTICIPATION NOTES ISSUED	GRANT	BALANCE DECEMBER 31, 2011
08-00	Various Improvements	\$75					75
16-02	Acquisition of Land	153,399					153,399
07-04	Drainage Improvements & Purchase of Equipment	23,000					23,000
10-07, 02-08	Various Improvements	130,200					130,200
15-09	Wieman Field Improvements	158,000					158,000
4-11	Various Capital Improvements		669,750			112,500	557,250
7-11	Acquisition of Police Vehicles		47,500				47,500
Total		\$464,674	717,250			112,500	1,069,424

TOWNSHIP OF EDGEWATER PARK  
 GENERAL CAPITAL FUND  
 SCHEDULE OF GENERAL SERIAL BONDS  
 AT DECEMBER 31, 2011

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT					
General Bonds of 2003	11/01/03	\$3,267,000	11/01/12	143,000	5.000%	\$2,404,000		138,000	2,266,000
			11/01/13	150,000	5.000%				
			11/01/14	158,000	5.000%				
			11/01/15	165,000	5.000%				
			11/01/16	174,000	5.000%				
			11/01/17	182,000	5.000%				
			11/01/18	191,000	5.000%				
			11/01/19	201,000	5.000%				
			11/01/20	211,000	5.000%				
			11/01/21	222,000	5.000%				
			11/01/22	231,000	4.375%				
			11/01/23	238,000	4.500%				
	Totals						\$2,404,000	-	138,000

TOWNSHIP OF EDGEWATER PARK  
GENERAL CAPITAL FUND  
STATEMENT OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2011

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2010	INCREASED	DECREASED	BALANCE DECEMBER 31, 2011
09-05	Various Improvements	6/29/06	6/26/10	6/25/11	1.53%	\$453,000		453,000	
09-05	Various Improvements	6/29/06	6/26/11	6/25/12	2.25%		432,000		432,000
07-04	Various Drainage Improvements & Acquisition of Equipment	6/29/06	6/26/10	6/25/11	1.53%	289,000		289,000	
07-04	Various Drainage Improvements & Acquisition of Equipment	6/29/06	6/26/11	6/25/12	2.25%		278,000		278,000
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/29/06	6/26/10	6/25/11	1.53%	425,000		425,000	
09-04	Improvements Along Cooper Street & West Franklin Ave.	6/29/06	6/26/11	6/25/12	2.25%		425,000		425,000
9-03	Acquisition of Land	6/29/06	6/26/10	6/25/11	1.53%	101,000		101,000	
9-03	Acquisition of Land	6/29/06	6/26/11	6/25/12	2.25%		97,000		97,000
20-02	Acquisition of Land	3/27/03	6/26/10	6/25/11	1.53%	118,000		118,000	
20-02	Acquisition of Land	3/27/03	6/26/11	6/25/12	2.25%		116,000		116,000
10-06	Various Improvements	6/28/07	6/26/10	6/25/11	1.53%	390,000		390,000	
10-06	Various Improvements	6/28/07	6/26/11	6/25/12	2.25%		368,000		368,000
02-08	Various Capital Improvements	6/27/08	6/26/10	6/25/11	1.53%	575,000		575,000	
02-08	Various Capital Improvements	6/27/08	6/26/11	6/25/12	2.25%		537,000		537,000
03-08	Recreation Improvements	6/27/08	6/26/10	6/25/11	1.53%	220,000		220,000	
03-08	Recreation Improvements	6/27/08	6/26/11	6/25/12	2.25%		217,000		217,000
04-08	Lincoln Ave Improvements	6/27/08	6/26/10	6/25/11	1.53%	249,000		249,000	
04-08	Lincoln Ave Improvements	6/27/08	6/26/11	6/25/12	2.25%		228,000		228,000

Total	\$2,820,000	2,698,000	2,820,000	2,698,000
Budget Appropriation			122,000	
Renewals		2,698,000	2,698,000	
	\$2,698,000		2,820,000	

**Summary of Municipal Debt  
(Excluding Current Debt)**

Issued -	2011	2010	2009
General - Bonds and Notes	\$4,964,000	5,224,000	5,441,000
Deductions - Funds Temporarily Held to Pay Notes: General	254,127	219,128	
<b>Net Debt Issued</b>	<b>4,709,873</b>	<b>5,004,872</b>	<b>5,441,000</b>
Authorized But Not Issued: General - Bonds & Notes	1,069,424	464,674	536,674
<b>Net Debt</b>	<b>\$5,779,297</b>	<b>5,469,546</b>	<b>5,977,674</b>

**Summary of Statutory Debt  
Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .94%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District General Debt	\$1,404,000	1,404,000	
	5,469,546	254,127	5,215,419
<b>Total</b>	<b>\$5,469,546</b>	<b>254,127</b>	<b>5,215,419</b>

Net debt, \$5,215,419, divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$614,492,898 equals .94%.

**Equalized Valuation Basis:**

2011	\$586,740,370
2010	618,363,453
2009	638,374,871
<b>Average</b>	<b>\$614,492,898</b>

**Borrowing Power Under 40A:2-6**

3.5% of Equalized Valuation Basis (Municipal) Net Debt	\$21,507,251
	5,215,419
<b>Remaining Borrowing Power</b>	<b>\$16,291,832</b>

\*\*\*\*\*

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

**Comparative Statement of Operations and  
Change in Fund Balance - Current Fund**

	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$256,000	1.56%	662,346	4.02%
Miscellaneous - From Other Than Local Property Tax Levies	1,798,963	10.93%	1,618,248	9.82%
Collection of Delinquent Taxes & Tax Title Liens	378,878	2.30%	286,300	1.74%
Collection of Current Tax Levy	14,020,034	85.21%	13,907,877	84.42%
<b>Total Income</b>	<b>16,453,875</b>	<b>100.00%</b>	<b>16,474,771</b>	<b>100.00%</b>
Expenditures				
Budget Expenditures - Municipal Purposes	5,054,158	32.24%	5,385,614	33.57%
County Taxes	2,357,666	15.04%	2,420,241	15.09%
Local & Regional School Taxes	7,865,978	50.18%	7,875,663	49.09%
Fire District Taxes	316,098	2.02%	309,900	1.93%
Other Expenditures	81,772	0.52%	50,595	0.32%
<b>Total Expenditures</b>	<b>15,675,672</b>	<b>100.00%</b>	<b>16,042,013</b>	<b>100.00%</b>
Excess in Revenue to Fund Balance	778,203		432,758	
Adjustments to Income Before Fund Balance: Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year				
Statutory Excess to Fund Balance	778,203		432,758	
Fund Balance January 1	470,431		700,019	
Less: Utilization as Anticipated Revenue	256,000		662,346	
<b>Fund Balance December 31</b>	<b>\$992,634</b>		<b>470,431</b>	

**Comparison of Tax Levies  
and Collection Currently**

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

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2011	\$14,396,898	14,020,034	97.38%
2010	14,292,242	13,880,132	97.12%
2009	13,834,986	13,545,756	97.91%
2008	13,332,681	13,077,075	98.08%
2007	12,872,613	12,514,887	97.22%

**Comparison of Tax Rate Information**

	2011	2010	2009
Total Tax Rate	<u>\$2.314</u>	<u>\$4.642</u>	<u>\$4.454</u>
Apportionment of Tax Rate:			
Municipal	0.609	1.184	1.054
County	0.381	0.788	0.828
Local School	1.264	2.560	2.462
Fire District Tax	0.051	0.101	0.100
Open Space Tax	0.009	0.009	0.010

**Net Valuation Taxable:**

2011	<u>\$622,157,736</u>		
2010		<u>\$307,677,410</u>	
2009			<u>\$310,325,085</u>

**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.

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2011	\$3,508	333,450	336,958	2.34%
2010	1,515	399,167	400,682	2.80%
2009	1,394	302,880	304,274	2.20%

**Property Acquired by Tax  
Title Lien Liquidation**

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

Year	Amount
2011	\$3,094,800
2010	666,000
2009	666,000
2008	667,000
2007	667,000

**Comparative Schedule of Fund Balance**

Current Fund	December 31	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
2011	\$992,634	418,000	42.11%
2010	470,431	256,000	54.42%
2009	700,019	481,946	68.85%
2008	1,080,014	970,539	89.86%
2007	1,352,012	1,055,000	78.03%

## OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2011:

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
Darrel Booker	Mayor		B
John Mcelwee	Deputy Mayor		B
Scott Kercher	Committeeman		B
Joseph T. Pullion, Jr.	Committeeman		B
Aimee Belgard	Committeewoman		B
Linda Dougherty	Township Administrator, Township Clerk, Municipal Improvement Search Officer, Secretary to Chief Financial Officer, Registrar of Dogs		B
Margaret Peak	Certified Municipal Finance Officer	\$200,000	A
Frank N. Van Gelder	Assistant Treasurer		B
Tanyika Johns	Tax Collector/Deputy Clerk Statistics	\$125,000	A
James Vogdes	Municipal Court Judge	\$ 35,000	A
Ann DiMarco	Court Administrator		B
Terri Lynn Harper	Deputy Court Administrator		B
James Scott	Construction Code Official		B
James Duda	Tax Assessor		B
William Kearns	Solicitor		
Environmental Resolutions, Inc. Engineer			

(A) RLI Insurance Company

(B) Municipal Excess Liability Joint Insurance Fund - \$1,000,000 blanket bond



TOWNSHIP OF EDGEWATER PARK

PART II

GENERAL COMMENTS AND FINDINGS

YEAR ENDED DECEMBER 31, 2011



**JOHN J. MALEY, JR.**

*Certified Public Accountant*

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Mayor and  
Members of the Township Committee  
Township of Edgewater Park  
Edgewater Park, New Jersey 08010

We have audited the financial statements and transactions of the Township of Edgewater Park in the County of Burlington for the year ended December 31, 2011. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments and Recommendations* for the year then ended.

**GENERAL COMMENTS**

**Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)**

*N.J.S.A.40A:11-4* - Every contract or agreement, for the performance of any work or 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 \$17,500 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

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

**Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "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 provision of (*N.J.S.A.40A:11-6.1*).

### **Collection of Interest on Delinquent Taxes**

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

The governing body on January 8, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

**"BE IT RESOLVED** by the Township Committee of the Township of Edgewater Park, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

**BE IT FURTHER RESOLVED**, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived."

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

### **Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2011, included 2010, 2009, 2008, 2007, and 2006 real estate taxes only.

The last tax sale was held on September 14, 2011 and was complete.

### **Municipal Court**

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

**Finance**

**Finding 2011-01:**

**Criteria:**

That the current fund general ledger be properly maintained and completed with the required journal entries.

**Condition:**

It was noted that the current fund general ledger was not properly maintained and completed with the required journal entries.

**Cause:**

Oversight of Township personnel.

**Effect:**

The current fund general ledger was not maintained and completed on a timely basis.

**Recommendation:**

That the current fund general ledger be completed with all the required entries on a timely basis.

**Escrow**

**Finding 2011-02:**

**Criteria:**

That the escrow fund analysis be properly maintained and updated accordingly.

**Condition:**

It was noted that the escrow fund analysis was not properly maintained and updated.

**Cause:**

Oversight of Township personnel.

**Effect:**

Individual escrow accounts are not accurately reflecting correct balances.

**Recommendation:**

That the escrow fund analysis be properly maintained and updated accordingly to properly reflect individual escrow account balances.

## **Prior Year Findings**

All prior year findings were corrected.

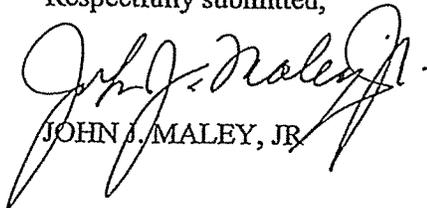
## **Acknowledgment**

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

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

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,



JOHN J. MALEY, JR.

Bordentown Office  
May 25, 2012

