

TOWNSHIP OF PITTSBORO
COUNTY OF SALEM
REPORT OF AUDIT
FOR THE YEAR 2010

**TOWNSHIP OF PITTSBORO
TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART 1</u>		
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	4
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	6
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	8
A-2	Statement of Revenues--Regulatory Basis	9
A-3	Statement of Expenditures--Regulatory Basis	12
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities and Reserves--Regulatory Basis	19
B-1	Municipal Open Space Trust Fund--Statement of Revenues and Other Credits to Income--Regulatory Basis	21
B-2	Municipal Open Space Trust Fund--Statement of Expenditures and Other Charges to Income--Regulatory Basis	22
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balances--Regulatory Basis	23
C-1	Statement of Fund Balance--Regulatory Basis	24
<u>GENERAL FIXED ASSETS ACCOUNT GROUP</u>		
D	Statement of General Fixed Asset Groups of Accounts – Regulatory Basis	25
	Notes to Financial Statements	26
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash --Treasurer	41
SA-2	Statement of Current Cash Per N.J.S. 40A:5-5--Collector	42
SA-3	Statement of Change Funds	43
SA-4	Statement of Taxes Receivable and Analysis of Property Tax Levy	44
SA-5	Statement of Tax Title Liens	45
SA-6	Statement of Revenue Accounts Receivable	46
SA-7	Statement of Appropriation Reserves	47
SA-8	Statement of Local District School Taxes Payable	52
SA-9	Statement of County Taxes Payable	53
SA-10	Statement of Special District Taxes Payable	54
SA-11	Statement of Municipal Open Space Taxes Payable	55
SA-12	Statement of Tax Overpayments	56
SA-13	Statement of Prepaid Taxes	56

**TOWNSHIP OF PITTSBORO
TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>SUPPLEMENTAL EXHIBITS (CONT'D)</u>	
	<u>CURRENT FUND (CONT'D)</u>	
SA-14	Statement of Due to State of New Jersey Veterans' and Senior Citizens Deductions	57
SA-15	Statement of Property Acquired for Taxes – Assessed Valuation	57
SA-16	Statement of Deferred Charges per N.J.S.A. 40A:4-55 Special Emergency	58
SA-17	Statement of Due to State of New Jersey--Marriage License Fees	59
SA-18	Statement of Due State of New Jersey--DCA Training Fees	59
SA-19	Statement of Accounts Payable	59
SA-20	Statement of Prepaid License Fees	60
SA-21	Statement of Reserve for Garden State Preservation Trust	60
SA-22	Statement of Federal and State Grants Receivable	61
SA-23	Statement of Federal and State Grants--Appropriated	62
SA-24	Statement of Federal and State Grants--Unappropriated	63
SA-25	Statement of Due Current Fund	64
	<u>TRUST FUND</u>	
SB-1	Statement of Trust Cash --Treasurer	66
SB-2	Animal Control Trust Fund--Statement of Due State of New Jersey – Department of Health	67
SB-3	Animal Control Trust Fund--Statement of Reserve	68
SB-4	Animal Control Trust Fund--Statement of Due Current Fund	69
SB-5	Trust Other Fund--Statement of Reserves	70
SB-6	Trust Other Fund--Statement of Due To/(From) Current Fund	71
SB-7	Trust Other Fund--Statement of Loan Receivables	72
SB-8	Trust Fund--Municipal Open Space--Statement of Reserve for Future Use	73
SB-9	Trust Fund--Assessment Fund--Statement of Assessments Receivable	74
SB-10	Trust Fund--Assessment Fund--Statement of Due Current Fund	75
SB-11	Trust Fund--Assessment Fund--Statement of Assessment Serial Bonds	76
	<u>GENERAL CAPITAL FUND</u>	
SC-1	Statement of General Capital Cash Per N.J.S. 40A:5-5--Treasurer	78
SC-2	Analysis of General Capital Cash and Investments	79
SC-3	Statement of Due Current Fund	80
SC-4	Statement of Deferred Charges to Future Taxation--Funded	80
SC-5	Statement of Deferred Charges to Future Taxation--Unfunded	81
SC-6	Statement of Capital Improvement Fund	82
SC-7	Statement of Improvement Authorizations	83
SC-8	Statement of Bond Anticipation Notes Payable	84
SC-9	Statement of General Obligation Bonds	85
SC-10	Statement of Bonds and Notes Authorized But Not Issued	86

**TOWNSHIP OF PITTSBORO
TABLE OF CONTENTS**

Exhibit No.**Page No.**

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Schedule of Financial Statement Findings	88
Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	89

<u>OFFICIALS IN OFFICE AND SURETY BONDS</u>	90
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<u>APPRECIATION</u>	91
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TOWNSHIP OF PITTSBORO
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Pittsgrove
Pittsgrove, New Jersey 08318

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Pittsgrove, in the County of Salem, State of New Jersey as of December 31, 2010, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2010. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Township of Pittsgrove, County of Salem as of and for the year ended December 31, 2009 were audited by another auditor whose report dated May 10, 2010 expressed an unqualified opinion.

We conducted our 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 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the 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 differ from accounting principles generally accepted in the United States of America. The effects 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.

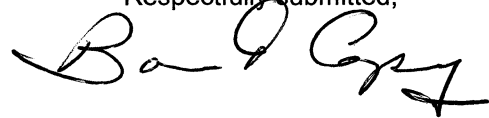
In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Pittsgrove, in the County of Salem, State of New Jersey, as of December 31, 2010, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Pittsgrove, in the County of Salem, State of New Jersey, as of December 31, 2010, and the results of its operations and changes in fund balance-- regulatory basis of such funds for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2010 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

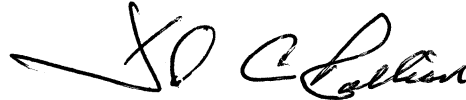
In accordance with Government Auditing Standards, we have also issued our report dated July 22, 2011 on our consideration of the Township of Pittsgrove, in the County of Salem, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Pittsgrove's basic financial statements. The supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
July 22, 2011

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

The Honorable Mayor and
Members of the Township Committee
Township of Pittsgrove
Pittsgrove, New Jersey 08318

We have audited the financial statements (regulatory basis) of the Township of Pittsgrove, in the County of Salem, State of New Jersey, as of and for the year ended December 31, 2010, and have issued our report thereon dated July 22, 2011, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The report also indicated that the financial statements of the Township as December 31, 2009 were audited by other auditors whose report dated May 10, 2010 expressed an unqualified opinion on those financial statements. We conducted our 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 in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Pittsgrove's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

This report is intended solely for the information and use of the management of the Township, the Division of Local Government Services, Department of Community Affairs and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
July 22, 2011

TOWNSHIP OF PITTSBORO
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2010 and 2009

<u>ASSETS</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Regular Fund:			
Cash and Cash Equivalents:			
Treasurer	SA-1	\$ 1,559,154.95	\$ 1,786,253.36
Collector	SA-2	289,312.32	330,420.61
Change Funds	SA-3	<u>850.00</u>	<u>900.00</u>
Total Cash and Cash Equivalents		<u>1,849,317.27</u>	<u>2,117,573.97</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	357,328.86	350,885.36
Tax Title Liens Receivable	SA-5	112,086.92	36,116.54
Property Acquired for Taxes - Assessed Valuation	SA-15	1,369,200.00	1,386,000.00
Revenue Accounts Receivable	SA-6	22,117.55	10,412.23
Demolition Receivable	A	311.63	311.63
Interfunds Receivable:			
Trust Other Fund	SB-6		304.57
Assessment Trust Fund	SB-10	59.66	256.48
Animal Control Fund	SB-4	0.31	0.21
General Capital Fund	SC-3	133.89	155.45
Federal and State Grant Fund	SA-25	<u>23,127.07</u>	<u>234,873.71</u>
Total Receivables and Other Assets with Full Reserves		<u>1,884,365.89</u>	<u>2,019,316.18</u>
Deferred Charges:			
Overexpenditure of Appropriations	A-3		698.39
Special Emergency Authorizations (40A:4-53)	SA-16	<u>24,000.00</u>	<u>32,000.00</u>
Total Deferred Charges:		<u>24,000.00</u>	<u>32,698.39</u>
Total Regular Fund		<u>3,757,683.16</u>	<u>4,169,588.54</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-22	370,397.67	546,902.75
Deferred Charges:			
Expenditure Without Appropriation	A-3		<u>1,582.49</u>
Total Federal and State Grant Fund		<u>370,397.67</u>	<u>548,485.24</u>
		<u>\$ 4,128,080.83</u>	<u>\$ 4,718,073.78</u>

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2010 and 2009

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Regular Fund:			
Appropriation Reserves	A-3, SA-7	\$ 200,257.78	\$ 228,244.99
Reserve for Encumbrances	A-3, SA-7	138,788.50	215,421.43
Accounts Payable	SA-19	10,734.14	
County Taxes Payable	SA-9	17,125.46	48,545.62
Special District Taxes Payable	SA-10	154,926.75	149,884.37
Tax Overpayments	SA-12	11,119.65	1,807.48
Prepaid Taxes	SA-13	147,751.27	133,730.13
Prepaid Licenses	SA-20	4,657.00	4,718.00
Temporary Occupancy Permits	SA-1	3,000.00	
Payroll Taxes Payable	A		7,115.60
Deferred Rent	A-2		1,099.00
Due State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-14	6,769.39	9,295.18
Marriage License Fees	SA-17	200.00	195.00
DCA Fees	SA-18	4,302.00	1,244.00
Interfunds Payable:			
Trust Other Fund	SB-6	80,061.30	2,767.80
Municipal Open Space Taxes Payable	SA-11	493.64	
Reserve for:			
Garden State Preservation Trust	SA-21	18,963.00	28,444.47
Senior Transportation Donations	SA-1		1,078.00
		<u>799,149.88</u>	<u>833,591.07</u>
Total Liabilities and Reserves			
Reserve for Receivables and Other Assets	A	1,884,365.89	2,019,316.18
Fund Balance	A-1	<u>1,074,167.39</u>	<u>1,316,681.29</u>
		<u>3,757,683.16</u>	<u>4,169,588.54</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants:			
Appropriated	SA-23	291,295.95	306,524.32
Unappropriated	SA-24	10,787.43	
Encumbrances Payable	SA-23	45,187.22	7,087.21
Due Current Fund	SA-25	23,127.07	234,873.71
		<u>370,397.67</u>	<u>548,485.24</u>
Total Federal and State Grant Fund:		<u>370,397.67</u>	<u>548,485.24</u>
		<u>\$ 4,128,080.83</u>	<u>\$ 4,718,073.78</u>

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

TOWNSHIP OF PITTSBORO
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For The Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 1,046,974.00	\$ 804,880.86
Miscellaneous Revenues Anticipated	1,377,723.28	1,516,158.67
Receipts from Delinquent Taxes and Tax Title Liens	275,272.24	332,694.58
Receipts from Current Taxes	17,168,533.84	17,248,076.55
Non-Budget Revenue	170,627.03	98,335.60
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	203,680.40	139,638.94
Special District Taxes Payable Canceled	1.03	
Encumbrances Payable Canceled	45,794.12	
Payroll Taxes Payable Canceled	7,115.60	
Liquidation of Interfunds	212,269.59	2,254.30
	<hr/>	<hr/>
Total Income	20,507,991.13	20,142,039.50
EXPENDITURES:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	1,084,524.00	1,050,588.66
Other Expenses	1,560,754.96	1,609,386.75
Deferred Charges and Statutory Expenditures	191,475.63	192,434.25
Excluded from "CAPS":		
Operations		
Other Expenses	343,603.59	208,430.16
Capital Improvements	100.00	155,000.00
Debt Service	335,798.12	312,923.35
Deferred Charges	8,000.00	8,000.00
County Taxes	6,289,239.86	6,474,597.45
Local District School Taxes	9,073,538.00	8,937,210.00
Special District Taxes	619,707.00	599,537.45
Municipal Open Space Taxes	182,606.79	180,794.00
Other Charges to Income:		
Prior Year Deductions Disallowed by Collector	6,250.00	8,295.20
Change Funds	50.00	
Excess Transfers to Trust Other- Payroll	7,883.08	85,696.12
	<hr/>	<hr/>
Total Expenditures	19,703,531.03	19,822,893.39
Excess Revenue and Other Income Realized Over Expenditures	804,460.10	319,146.11
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year		698.39
		<hr/>
Statutory Excess to Fund Balance	804,460.10	319,844.50
FUND BALANCE:		
Balance January 1	1,316,681.29	1,801,717.65
	<hr/>	<hr/>
Decreased by:	2,121,141.39	2,121,562.15
Utilized as Revenue	1,046,974.00	804,880.86
	<hr/>	<hr/>
Balance December 31	\$ 1,074,167.39	\$ 1,316,681.29

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

TOWNSHIP OF PITTSGROVE
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For The Year Ended December 31, 2010

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A: 4-87</u>		
Fund Balance Anticipated	\$ 1,046,974.00		\$ 1,046,974.00	
Miscellaneous Revenues:				
Local Revenues:				
Licenses - Alcohol	3,900.00		3,975.00	\$ 75.00
Fees and Permits	103,000.00		93,560.47	(9,439.53)
Fines and Costs:				
Municipal Court	38,500.00		42,085.46	3,585.46
Interest and Costs on Taxes	80,000.00		87,018.66	7,018.66
Tower Lease	19,500.00		18,001.00	(1,499.00)
State Aid Without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief Aid	71,129.00		70,458.03	(670.97)
Energy Receipts Tax (P.L. 1997, Ch 162 & 167)	599,837.00		599,837.00	
Garden State Trust Pilot	28,444.47		28,444.47	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17)				
Uniform Construction Code Fees	67,500.00		115,759.00	48,259.00
Special Items of General Revenue Anticipated with Prior Written				
Consent of the Director of the Division of Local Government Services:				
Public and Private Revenue Offset with Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	6,285.61		6,285.61	
Small Cities Grant	100,000.00		100,000.00	
Clean Communities Program		\$ 18,915.39	18,915.39	
Senior Citizens & Disabled Resident Transportation Aid Act	127,970.48		127,970.48	
Other Special Items:				
Uniform Fire Safety Act	14,390.71		14,390.71	
Fines, Penalties, Registrations and Reinspections				
Bureau of Fire Safety	2,800.00		3,765.00	965.00
Lease Agreement with Pittsgrove Township Board of Education	13,386.00		47,257.00	33,871.00
	<u>1,276,643.27</u>	<u>18,915.39</u>	<u>1,377,723.28</u>	<u>82,164.62</u>
Receipts from Delinquent Taxes	<u>316,000.00</u>		<u>275,272.24</u>	<u>(40,727.76)</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including				
Reserve for Uncollected Taxes	<u>1,312,964.73</u>		<u>1,365,617.11</u>	<u>52,652.38</u>
Budget Totals	<u>3,952,582.00</u>	<u>18,915.39</u>	<u>4,065,586.63</u>	<u>94,089.24</u>
Non-Budget Revenues			<u>170,627.03</u>	<u>170,627.03</u>
	<u>\$ 3,952,582.00</u>	<u>\$ 18,915.39</u>	<u>\$ 4,236,213.66</u>	<u>\$ 264,716.27</u>

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For The Year Ended December 31, 2010

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 17,168,533.84
Allocated to:	
County, School, Special District and Municipal Open Space Taxes	<u>16,165,091.65</u>
Amount for Support of Municipal Budget Appropriations	1,003,442.19
Add: Appropriation "Reserve for Uncollected Taxes"	<u>362,174.92</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,365,617.11</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 239,809.61
Tax Title Lien Collections	<u>35,462.63</u>
Delinquent Tax Collections	<u>\$ 275,272.24</u>
Fees and Permits:	
Miscellaneous	\$ 10.00
Property Lists	270.00
Improvement Searches	100.00
Mobile Home Park	68,718.62
Planning Board	2,300.00
Registrar of Vital Statistics	1,932.00
Street Opening	1,080.00
Rental Housing Registration	795.00
Zoning Officer	10,191.85
Farmland Assessment Fees	3,085.00
Raffle License	200.00
Tax Collector:	
Tax Searches	160.00
Realization of Prior Year Prepaid Licenses	
Commercial Amusement	108.00
Junk Yard	75.00
Mobile Home Park	<u>4,535.00</u>
Total Fees and Permits	<u>\$ 93,560.47</u>
Realization of Prepaid Licenses	\$ 4,718.00
Collector Receipts	160.00
Treasurer Receipts	<u>88,682.47</u>
	<u>\$ 93,560.47</u>

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For The Year Ended December 31, 2010

Analysis of Non-Budget Revenue

Miscellaneous Revenue not Anticipated:

Treasurers Receipts:

Payment in Lieu of Taxes	\$	5,558.79
Copy Fees		40.67
Cable TV Franchise Fees		25,657.91
Maps Fees		49.30
Rent of Municipal Property		2,474.00
OPRA Compliance Fees		505.81
Transportation Donation		793.00
Recycling Materials		22,136.00
Interest on Investments		10,781.11
Penalty Fees - Construction		250.00
Senior Citizen and Veterans' Deductions Administrative Fee		2,595.00
Reimbursement of Employee Health Benefit Costs		6,383.86
Reimbursement of Prior Year Expenses		31,813.50
Miscellaneous		13,016.33

Tax Collector Receipts:

Interest on Investments	\$	2,144.03
Recording Fees		16.00
Advertising Fees		200.00
Yard Maintenance Charges		1,349.13
Tax Abatements		44,862.59
		<u>48,571.75</u>

\$ 170,627.03

Treasurer Receipts	\$	120,540.70
Collector Receipts		48,571.75
Due from Trust Other Fund		218.98
Due from Animal Control Fund		0.31
Due from Assessment Trust Fund		59.66
Due from General Capital Fund		133.89
Realization of Deferred Rent		1,099.00
Revenue Accounts Receivable:		
Interest on Investments		<u>2.74</u>
		<u>\$ 170,627.03</u>

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

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
General Government:						
Administrative and Executive:						
Salaries and Wages	\$ 78,540.00	\$ 78,540.00	\$ 75,643.10		\$ 2,896.90	
Salary Adjustment	2,000.00	2,000.00				\$ 2,000.00
Other Expenses	24,200.00	24,200.00	12,147.48	\$ 3,784.29	8,268.23	
Consultant	23,600.00	23,600.00	15,122.53	7,720.00	757.47	
Mayor and Township Committee:						
Salaries and Wages	24,990.00	24,990.00	22,508.64		2,481.36	
Other Expenses	5,000.00	5,000.00	3,000.95		1,999.05	
Township Clerk & Administration Office:						
Salaries and Wages	169,302.00	169,302.00	160,365.05		8,936.95	
Other Expenses						
Miscellaneous Other Expenses	9,250.00	9,250.00	6,621.34	536.27	2,092.39	
Codification of Ordinances	6,000.00	9,500.00	6,277.22	2,983.50	239.28	
Elections						
Other Expenses	250.00	250.00				250.00
Financial Administration:						
Salaries and Wages	76,398.00	76,398.00	73,582.45		2,815.55	
Other Expenses	16,650.00	17,250.00	15,870.60	1,167.01	212.39	
Audit Services						
Other Expenses	37,000.00	43,360.00	43,360.00			
Collection of Taxes						
Salaries and Wages	47,940.00	47,940.00	46,647.78		1,292.22	
Other Expenses	9,800.00	9,800.00	6,415.33	457.25	2,927.42	
Liquidation of Tax Title Liens & Foreclosed Property						
Other Expenses	100.00	100.00			100.00	
Tax Assessment:						
Salaries and Wages	43,350.00	43,350.00	40,140.86		3,209.14	
Other Expenses						
Miscellaneous Other Expenses	20,000.00	18,000.00	13,550.95	2,155.65	2,293.40	
Revision of Tax Map	3,000.00	3,000.00	2,288.88	625.50	85.62	
Legal Services and Costs:						
Other Expenses	120,000.00	101,685.00	51,892.66	12,044.00	37,748.34	
Engineering Services and Costs:						
Other Expenses	30,000.00	36,000.00	13,465.80	17,473.59	5,060.61	

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAPS" (Cont'd)						
Economic Development						
Salaries and Wages	\$ 1,887.00	\$ 1,887.00	\$ 371.22		\$ 1,515.78	
Other Expenses	10,000.00	5,855.00	(854.56)	\$ 6,709.06	0.50	
Agriculture Advisory Committee						
Other Expenses	1,000.00	1,000.00	555.34	78.00	366.66	
Municipal Land Use Law:						
Planning Board:						
Salaries and Wages	51,064.00	44,564.00	42,224.80		2,339.20	
Other Expenses	41,000.00	37,500.00	18,504.52	3,513.59	15,481.89	
Zoning Office						
Salaries and Wages	28,600.00	29,900.00	29,867.01		32.99	
Other Expenses	5,800.00	2,500.00	1,283.63	550.00	666.37	
Housing Rehabilitation						
Other Expenses	2,500.00	2,500.00				\$ 2,500.00
Affordable Housing						
Other Expenses	1,000.00	1,000.00				1,000.00
Code Enforcement and Administration						
Rent control Board						
Salaries and Wages	435.00	935.00	519.99		415.01	
Other Expenses	1,000.00	1,000.00	645.81	16.63	337.56	
Insurance						
Liability Insurance	58,539.00	57,144.00	57,144.00			
Workers' Compensation	83,825.00	83,825.00	83,825.00			
Group Insurance Plan for Employees	293,740.00	280,569.00	258,285.73		2,283.27	20,000.00
Public Safety:						
Housing Numbering System						
Other Expenses	400.00	400.00	49.50			350.50
Office of Emergency Management:						
Salaries and Wages	4,692.00	6,042.00	5,842.52		199.48	
Other Expenses	4,000.00	4,000.00			1,000.00	3,000.00
Aid to Volunteer Ambulance Corps (2)	27,000.00	27,000.00	26,999.89		0.00	0.11
Fire						
Other Expenses	100.00	100.00				100.00
Prosecutor						
Other Expenses	13,000.00	13,000.00	13,000.00			

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAPS" (Cont'd)						
Public Works:						
Road Repairs & Maintenance						
Other Expenses	\$ 150,000.00	\$ 148,000.00	\$ 131,842.37	\$ 14,078.67	\$ 2,078.96	
Other Public Works Functions						
Salaries and Wages	365,160.00	378,160.00	377,835.66		324.34	
Other Expenses	20,000.00	20,500.00	17,477.17	2,824.17	198.66	
Recycling						
Other Expenses	9,000.00	9,000.00	6,265.57	887.50	1,846.93	
Recycling Coordinator						
Salaries and Wages	6,936.00	6,936.00	1,461.98		2,474.02	\$ 3,000.00
Buildings and Grounds						
Other Expenses	87,675.00	87,675.00	65,798.82	14,585.06	7,291.12	
Shade Tree Advisory Committee						
Other Expenses	500.00	500.00	295.00			205.00
Vehicle Maintenance						
Other Expenses	40,000.00	40,000.00	31,391.18	7,094.26	1,514.56	
Health and Human Services:						
Board of Health:						
Other Expenses	100.00	100.00				100.00
Environmental Committee						
Other Expenses	1,500.00	1,500.00	722.88	633.92	143.20	
Animal Control						
Other Expenses	30,000.00	30,000.00	18,730.45	4,181.00	3,088.55	4,000.00
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages	1,530.00	1,530.00	1,263.63		266.37	
Other Expenses	9,000.00	9,000.00	5,995.97	2,999.72	4.31	
Senior Citizen Club						
Other Expenses	500.00	500.00				500.00
Senior Nutrition Expenses	1,000.00	1,000.00				1,000.00
Senior Transportation						
Other Expenses	5,000.00	5,000.00		4,385.00		615.00

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (Cont'd)						
Education Functions						
Expense of Participating in Free County Library						
Other Expenses	\$ 500.00	\$ 500.00	\$ 500.00			
Expense of Participating in Elmer Library						
Other Expenses	1,000.00	1,000.00	1,000.00			
Other Common Operating Functions						
Accumulated Leave Compensation	20,000.00	20,000.00	14,990.59			\$ 5,009.41
Utility Expenses and Bulk Purchases						
Utilities:						
Electricity	48,000.00	54,247.00	54,246.07		\$ 0.93	
Street Lighting	18,000.00	18,000.00	17,603.57		396.43	
Telephone	10,500.00	16,000.00	14,537.45	\$ 1,400.00	62.55	
Fuel Oil	25,000.00	25,000.00	18,567.85	3,345.80	3,086.35	
Telecommunications	5,500.00	5,500.00	4,211.11	400.00	888.89	
Postage and Express Mail	9,000.00	12,200.00	10,993.51		1,206.49	
Gasoline	25,000.00	27,827.00	25,726.42	2,100.00	0.58	
Landfill and Solid Waste Disposal Costs						
Landfill Fees	220,000.00	220,000.00	178,489.80	16,150.00	25,360.20	
Sanitary Landfill - Post closure						
Other Expenses	6,000.00	8,160.00	6,865.98		0.00	1,294.02
Municipal Court:						
Salaries and Wages	80,070.00	80,070.00	73,413.28		6,656.72	
Other Expenses	7,200.00	7,200.00	5,671.91	490.00	1,038.09	
Public Defender						
Other Expenses	6,200.00	6,200.00		1,500.00	4,700.00	
Code Enforcement and Administrator						
Construction Code Officials						
Salaries and Wages	51,000.00	51,000.00	47,408.04		3,591.96	
Other Expenses	7,600.00	7,682.00	6,362.64	1,319.06	0.30	

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Expended		Unexpended Balance Canceled	
	Budget	Budget After Modification	Paid or Charged	Encumbered		Reserved
OPERATIONS WITHIN "CAPS" (Cont'd)						
Sub-Code Officials						
Building Official / Inspector						
Salaries and Wages	\$ 20,000.00	\$ 20,000.00	\$ 19,615.36		\$ 384.64	
Plumbing Inspector						
Salaries and Wages	6,906.00	6,906.00	6,835.20		70.80	
Fire Protection Official						
Salaries and Wages	9,282.00	9,282.00	8,314.32		967.68	
Electrical Inspector						
Salaries and Wages	9,792.00	9,792.00	9,648.84		143.16	
Total Operations Within "CAPS"	2,691,403.00	2,690,203.00	2,331,248.64	\$ 138,188.50	175,841.82	\$ 44,924.04
Detail:						
Salaries and Wages	1,079,874.00	1,089,524.00	1,043,509.73	-	41,014.27	5,000.00
Other Expenses	1,611,529.00	1,600,679.00	1,287,738.91	138,188.50	134,827.55	39,924.04
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
Deferred Charges:						
Over Expenditure or Appropriation	698.39	698.39	698.39			
Expenditures without Appropriation	1,582.49	1,582.49	1,582.49			
Prior Year Bills:						
Sickels Engineering	100.00	100.00	100.00			
Escrow Bills prior to 2009	2,835.00	2,835.00	2,789.75			45.25
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	79,705.00	79,705.00	79,705.00			
Social Security System	90,000.00	90,000.00	86,328.46		3,671.54	
Unemployment Compensation Insurance	10,000.00	10,000.00	10,000.00			
State Disability Insurance	5,400.00	6,600.00	6,198.01		401.99	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	190,320.88	191,520.88	187,402.10	-	4,073.53	45.25
Total General Appropriations for Municipal Purposes Within "CAPS"	2,881,723.88	2,881,723.88	2,518,650.74	138,188.50	179,915.35	44,969.29

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS"						
Insurance						
Employee Group Health	\$ 36,260.00	\$ 36,260.00	\$ 36,260.00			
Landfill / Solid Waste Disposal Costs						
Recycling Tax	10,000.00	10,000.00	9,057.57	\$ 600.00	\$ 342.43	
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	8,210.00	8,210.00	8,210.00			
Total Other Operations - Excluded From "CAPS"	54,470.00	54,470.00	53,527.57	600.00	342.43	-
Additional Appropriations Offset by Revenues						
Uniform Fire Safety Act						
Fire Official						
Other Expenses	14,390.71	14,390.71	14,390.71			
Public and Private Programs Offset by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse	7,857.01	7,857.01	7,857.01			
Senior Citizens and Disabled Residents						
Transportation Program	127,970.48	127,970.48	127,970.48			
Clean Communities Program (\$18,915.39 40A:4-87)		18,915.39	18,915.39			
Small Cities Block Grant	100,000.00	100,000.00	100,000.00			
Matching Grant Funds	60,000.00	60,000.00			20,000.00	\$ 40,000.00
Total Public and Private Programs Offset by Revenues	295,827.49	314,742.88	254,742.88	-	20,000.00	40,000.00
Total Operations Excluded from "CAPS"	364,688.20	383,603.59	322,661.16	600.00	20,342.43	40,000.00
Detail:						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	364,688.20	383,603.59	322,661.16	600.00	20,342.43	40,000.00
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"						
Capital Improvement Fund	100.00	100.00	100.00			
Total Capital Improvements Excluded from "CAPS"	100.00	100.00	100.00	-	-	-

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For The Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 230,000.00	\$ 230,000.00	\$ 230,000.00			
Payment of Bond Anticipation Notes	25,000.00	25,000.00	25,000.00			
Interest on Bonds	59,595.00	59,595.00	59,595.00			
Interest on Notes	21,300.00	21,300.00	21,203.12			\$ 96.88
Total Municipal Debt Service Excluded from "CAPS"	335,895.00	335,895.00	335,798.12	-	-	96.88
DEFERRED CHARGES EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 years	8,000.00	8,000.00	8,000.00			
Total Deferred Charges Excluded from "CAPS"	8,000.00	8,000.00	8,000.00	-	-	-
Total General Appropriations For Municipal Purposes - Excluded from "CAPS"	708,683.20	727,598.59	666,559.28	\$ 600.00	\$ 20,342.43	40,096.88
Subtotal General Appropriations	3,590,407.08	3,609,322.47	3,185,210.02	138,788.50	200,257.78	85,066.17
Reserve for Uncollected Taxes	362,174.92	362,174.92	362,174.92			
Total General Appropriations	\$ 3,952,582.00	\$ 3,971,497.39	\$ 3,547,384.94	\$ 138,788.50	\$ 200,257.78	\$ 85,066.17
Adopted Budget		\$ 3,952,582.00				
Appropriation by 40A:4-87		18,915.39				
Reserve for Federal and State Grants Appropriated			\$ 254,742.88			
Deferred Charges - Special Emergency Authorization			8,000.00			
Deferred Charges - Over Expenditure or Appropriation			698.39			
Deferred Charges - Expenditures without Appropriation			1,582.49			
Uniform Fire Safety Act			14,390.71			
Reserve for Uncollected Taxes			362,174.92			
Reimbursed			(55,213.05)			
Disbursed			2,961,008.60			
		\$ 3,971,497.39	\$ 3,547,384.94			

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

TOWNSHIP OF PITTSBORO
TRUST FUND
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2010 and 2009

	Ref.	2010	2009
ASSETS:			
Animal Control Fund:			
Cash - Treasurer	SB-1	\$ 1,056.24	\$ 679.49
Other Funds:			
Cash - Treasurer	SB-1	1,419,900.51	766,493.16
Loans Receivable	SB-7	3,153.63	3,498.27
Due from Current Fund	SB-6	80,061.30	2,463.23
		<u>1,503,115.44</u>	<u>772,454.66</u>
Municipal Open Space Trust Fund:			
Cash - Treasurer	SB-1	915,361.39	774,815.53
Due from Current Fund	SB-8	493.64	
		<u>915,855.03</u>	<u>774,815.53</u>
Assessment Fund:			
Cash - Treasurer	SB-1	18,450.32	24,653.20
Assessments Receivable	SB-9	9,609.34	17,187.20
		<u>28,059.66</u>	<u>41,840.40</u>
		<u>\$ 2,448,086.37</u>	<u>\$ 1,589,790.08</u>
LIABILITIES, RESERVES, AND FUND BALANCE:			
Animal Control Fund:			
Due Current Fund	SB-4	\$ 0.31	\$ 0.21
Reserve for Animal Control	SB-3	1,055.93	679.28
		<u>1,056.24</u>	<u>679.49</u>

(Continued)

TOWNSHIP OF PITTSBORO
TRUST FUND
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2010 and 2009

<u>LIABILITIES, RESERVES, AND FUND BALANCE: (Con't)</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Other Funds:			
Encumbrance Payable	SB-5		\$ 7,967.74
Reserve for Trust Other Funds:			
Accumulated Absences	SB-5	\$ 25,294.18	25,294.18
Affordable Housing	SB-5	260,664.23	255,019.16
Developers Escrow	SB-5	106,807.37	105,589.14
Environmental Commission	SB-5	144.73	476.73
Lake Centerton Park Home Owner Escrow	SB-5	5,064.34	5,047.63
Landfill Closure	SB-5	156,376.62	153,280.24
Payroll Deductions Payable	SB-5	7,743.43	-
Performance Bond - Edgewood Escrow	SB-5	611,013.26	-
Performance Bond Escrow	SB-5	21,251.00	20,066.40
Pittsgrove Day	SB-5	7,632.25	6,566.03
Public Defender	SB-5	637.56	2,226.56
Recreation Commission	SB-5	3,796.77	5,495.27
Revolving Loan Fund	SB-5	3,153.63	3,498.27
Small Cities	SB-5	50,546.05	34,048.21
Tax Title Lien Redemption	SB-5	150,200.00	137,600.00
Uniform Fire Safety	SB-5	80,280.28	-
Unemployment	SB-5	12,509.74	10,279.10
		<u>1,503,115.44</u>	<u>772,454.66</u>
Municipal Open Space Trust Fund:			
Encumbrance Payable	B		23,987.00
Reserve for Open Space Expenditures	SB-8	915,855.03	750,828.53
		<u>915,855.03</u>	<u>774,815.53</u>
Assessment Fund:			
Assessment Serial Bonds Payable	SB-11	28,000.00	38,000.00
Due Current Fund	SB-10	59.66	256.48
Reserve for Assessments	B		2,227.08
Funds Balance	B		1,356.84
		<u>28,059.66</u>	<u>41,840.40</u>
		<u>\$ 2,448,086.37</u>	<u>\$ 1,589,790.08</u>

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

TOWNSHIP OF PITTSBORO
TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Revenues and Other Credits to Income--Regulatory Basis
For The Year Ended December 31, 2010

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Amount to Be Raised By Taxation	\$ 182,113.15	\$ 182,606.79	\$ 493.64
Miscellaneous		<u>6,966.61</u>	<u>6,966.61</u>
Total Open Space Revenues	<u>\$ 182,113.15</u>	<u>\$ 189,573.40</u>	<u>\$ 7,460.25</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Receipts:

2010 Municipal Open Space Tax Levy \$ 182,113.15

Due from Current Fund:

2010 Added & Omitted Taxes 493.64

\$ 182,606.79

Miscellaneous:

Receipts

Interest Earned on Deposits

\$ 6,966.61

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

TOWNSHIP OF PITTSBORO
 TRUST FUND - MUNICIPAL OPEN SPACE
 Statement of Expenditures and Other Charges to Income--Regulatory Basis
 For The Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Adopted Budget</u>	<u>Budget After Modifications</u>	<u>Paid or Charged</u>	<u>Encumbrances Payable</u>	<u>Reserved</u>	
Reserve for Future Use	\$ 182,113.15	\$ 182,113.15	\$ 182,113.15			
Total Open Space Appropriations	\$ 182,113.15	\$ 182,113.15	\$ 182,113.15	\$ -	\$ -	\$ -

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

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2010 and 2009

<u>ASSETS</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Cash - Treasurer	SC-1	\$ 440,542.50	\$ 680,833.75
Deferred Charges to Future Taxation:			
Funded	SC-4	1,420,000.00	1,650,000.00
Unfunded	SC-5	797,445.00	822,445.00
		<u>\$ 2,657,987.50</u>	<u>\$ 3,153,278.75</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u> 			
Due Current Fund	SC-3	\$ 133.89	\$ 155.45
Bond Anticipation Notes Payable	SC-8	653,500.00	678,500.00
Serial Bonds Payable	SC-9	1,420,000.00	1,650,000.00
Improvement Authorizations:			
Funded	SC-7	114,515.85	109,444.63
Unfunded	SC-7	392,471.06	525,873.69
Encumbrances Payable	SC-7	21,186.95	128,860.81
Reserve for:			
Payment of Debt	SC-2	136.00	136.00
Improvements to Bikeway	SC-2	12,700.57	12,700.57
Resurfacing of Roads	SC-2	464.32	13,884.32
Senior Citizen Center	SC-2	9,055.98	0.40
Capital Improvement Fund	SC-6	27,831.50	27,731.50
Fund Balance	C-1	5,991.38	5,991.38
		<u>\$ 2,657,987.50</u>	<u>\$ 3,153,278.75</u>

There were bonds and notes authorized but not issued in the amounts of \$143,945.00 as of December 31, 2010 and 2009, respectively.

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

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2010 and 2009

Balance December 31, 2010 and 2009	<u>\$ 5,991.38</u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF PITTSBORO
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Groups of Accounts - Regulatory Basis
For The Year Ended December 31, 2010

	Balance Dec. 31, 2009	Additions	Balance Dec. 31, 2010
General Fixed Assets:			
Land	\$ 1,092,118.36		\$ 1,092,118.36
Buildings and Grounds	4,106,427.47	\$ 164,625.96	4,271,053.43
Equipment	2,475,504.67	77,107.10	2,552,611.77
Total Investment in General Fixed Assets	<u>\$ 7,674,050.50</u>	<u>\$ 241,733.06</u>	<u>\$ 7,915,783.56</u>

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

TOWNSHIP OF PITTSBORO
Notes to Financial Statements
For the Year Ended December 31, 2010

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - The Township of Pittsgrove was incorporated on December 6, 1769 and is located in southeast corner of Salem County in New Jersey approximately thirty-five miles southeast of the City of Philadelphia. The present population according to the 2010 census is 9,393.

The Municipality has a Township form of government consisting of five members who hold office for a term of three years. The Mayor is appointed by the remaining members of the Township Committee each year. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Administrator and Township Clerk.

Component Units - The financial statements of the component units of the Township of Pittsgrove are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Township of Pittsgrove Fire District No. 1
 160 Almond Road
 Norma, New Jersey 08347

Township of Pittsgrove Fire District No. 2
 879 Willow Grove Road
 Pittsgrove, New Jersey 08318

Township of Pittsgrove Fire District No. 3
 64 Dealtown Road
 Pittsgrove, New Jersey 08318

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Pittsgrove contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Pittsgrove accounts for its financial transactions through the use of separate funds which are described as follows:

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

Budgets and Budgetary Accounting - The Township of Pittsgrove must adopt an annual budget for its current and open space trust funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township of Pittsgrove requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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 statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Fund Balance - Fund Balances included in the current fund represents an amount available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Salem, Township of Pittsgrove School District, Township of Pittsgrove Fire District No. 1, Fire District No. 2 and Fire District No. 3. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Pittsgrove School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Salem. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for Township of Pittsgrove Fire District No. 1, Fire District No. 2 and Fire District No. 3. Operations are charged for the full amount required to be raised by taxation to support the districts for the year.

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Compensated Absences and Postemployment Benefits - Compensated absences for sick leave are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2010, the Township's bank balances of \$4,743,582.32 were exposed to custodial credit risk as follows:

Insured	\$ 250,000.00
Uninsured and Uncollateralized	935,720.00
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	<u>3,557,862.32</u>
Total	<u>\$ 4,743,582.32</u>

Note 4: **PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	\$ 2.775	\$ 2.796	\$ 2.887	\$ 2.822	\$ 2.750
Apportionment of Tax Rate:					
Municipal	\$ 0.216	\$ 0.216	\$ 0.238	\$ 0.252	\$ 0.253
County	1.010	1.043	1.127	1.076	1.013
County Open Space	0.024	0.025	0.023		
Local School	1.495	1.482	1.468	1.464	1.454
Municipal Open Space	0.030	0.030	0.031	0.030	0.030
Special District Tax Rate:					
Fire District No. 1	0.107	0.103	0.100	0.100	0.101
Fire District No. 2	0.078	0.076	0.074	0.070	0.070
Fire District No. 3	0.130	0.130	0.125	0.120	0.121

Assessed Valuation

<u>Year</u>	
2010	\$ 607,043,844.00
2009	602,646,634.00
2008	600,450,594.00
2007	594,170,863.00
2006	584,075,909.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 17,520,141.33	\$ 17,168,533.84	97.99%
2009	17,564,900.13	17,248,076.55	98.20%
2008	18,025,697.88	17,684,478.81	98.11%
2007	17,508,937.26	17,077,693.42	97.54%
2006	16,863,027.16	16,493,661.54	97.81%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ 112,086.92	\$ 357,328.86	\$ 469,415.78	2.68%
2009	36,116.54	350,885.36	387,001.90	2.20%
2008	7,356.36	371,683.18	379,039.54	2.10%
2007	5,997.15	405,702.22	411,699.37	2.35%
2006	2,819.89	425,872.82	428,692.71	2.54%

Note 4: **PROPERTY TAXES (CONT'D)**

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

<u>Year</u>	<u>Number</u>
2010	37
2009	15
2008	4
2007	4
2006	4

Note 5: **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, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2010	\$1,369,200.00
2009	1,386,000.00
2008	1,390,900.00
2007	1,390,900.00
2006	1,398,100.00

Note 6: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2010	\$ 1,074,167.39	\$ 973,569.91	90.63%
2009	1,316,681.29	1,046,974.00	79.52%
2008	1,801,717.65	804,880.86	44.67%
2007	1,780,275.10	784,355.98	44.06%
2006	1,623,124.12	469,620.50	28.93%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 23,320.93	\$ 80,554.75
Federal and State Grant Fund		23,127.07
Trust - Animal Control Fund		0.31
Trust - Assessment Fund		59.66
Trust - Municipal Open Space Fund	493.64	
Trust - Other Fund	80,061.11	
General Capital Fund		133.89
	<u>\$ 103,875.68</u>	<u>\$ 103,875.68</u>

Note 8: **PENSION PLANS**

The Township of Pittsgrove contributes to a cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) which is administered by the New Jersey Division of Pensions and Benefits. In addition, Township employees can participate in a Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division 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
 Division of Pensions and Benefits
 P.O. Box 295
 Trenton, New Jersey 08625-0295

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 8: PENSION PLANS (CONT'D)

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Township</u>
2010	\$44,498.00	\$43,417.00	\$87,915.00	---	\$87,915.00
2009	40,275.00	36,735.00	77,010.00	---	77,010.00
2008	34,829.00	26,841.00	61,670.00	12,334.00	49,336.00 (1)

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township has no employees in this plan as of December 31, 2010.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

(1) Under the provisions of Chapter 108, P.L. 2003 the Township's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Township is paying 100% of the total normal contribution and accrued liability.

Note 9: COMPENSATED ABSENCES

Full-time and part-time employees receive vacation days based on the number of years with the Township. Employees who work at least 32 hours a week and those who work less than 32 hours a week receive vacation days based upon a different schedule. Vacation days not used during the year may not be accumulated and carried forward unless approved in writing by the Township Committee.

Employees who work at least 32 hours a week receive one sick day per month while employees who work less than 32 hours a week receive one sick day every two months. Employees who retire on pension or are not re-appointed at the conclusion of their term will be paid their accumulated sick time at their rate each year earned but not to exceed \$15,000.00. Sick days are not paid to employees who quit or are terminated.

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2010 the balance of the fund was \$25,294.18. It is estimated that, at December 31, 2010, accrued benefits for compensated absences are valued at \$148,527.00.

Note 10: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

Plan Description - The Township 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. The Township provides post employment health care benefits, at its cost, to retirees with twenty-five years of service with the Township.

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/.

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 the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis.

The Township contributions to SHBP for the years ended December 31, 2010, 2009, and 2008, were \$15,346.80, \$14,195.64, and \$11,711.32, respectively, which equaled the required contributions for each year. There were two retired participants eligible at December 31, 2010, 2009, and 2008, respectively.

Note 11: **SANITARY LANDFILL ESCROW CLOSURE FUND**

The Township of Pittsgrove operated a municipal landfill located in the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

The escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure/post closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 12: **CAPITAL DEBT**

Summary of Debt

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Issued</u>			
General:			
Bond and Notes	\$ 2,073,500.00	\$ 2,366,500.00	\$ 2,430,195.00
<u>Authorized But Not Issued</u>			
General:			
Bond and Notes	143,945.00	143,945.00	194,450.00
Net Debt	<u>\$ 2,217,445.00</u>	<u>\$ 2,510,445.00</u>	<u>\$ 2,624,645.00</u>

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 indicated a statutory net debt of 0.32%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 8,648,946.00	\$ 8,648,946.00	
General	2,217,445.00		\$ 2,217,445.00
	<u>\$ 10,866,391.00</u>	<u>\$ 8,648,946.00</u>	<u>\$ 2,217,445.00</u>

Net Debt \$2,217,445.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$696,667,823 equals 0.32%.

Borrowing Power Under N.J.S.A. 40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 24,383,373.81
Net Debt	<u>2,217,445.00</u>
Remaining Borrowing Power	<u>\$ 22,165,928.81</u>

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

<u>Year</u>	<u>General</u>		<u>Assessment Trust</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2011	\$ 230,000.00	\$ 49,932.50	\$ 10,000.00	\$ 1,400.00	\$ 291,332.50
2012	230,000.00	42,170.00	10,000.00	900.00	283,070.00
2013	230,000.00	34,350.00	8,000.00	400.00	272,750.00
2014	230,000.00	26,300.00			256,300.00
2015	250,000.00	18,250.00			268,250.00
2016	250,000.00	9,250.00			259,250.00
	<u>\$ 1,420,000.00</u>	<u>\$ 180,252.50</u>	<u>\$ 28,000.00</u>	<u>\$ 2,700.00</u>	<u>\$ 1,630,952.50</u>

Note 13: **LEASE OBLIGATIONS**

At December 31, 2010, the Township has an operating lease agreement in effect for the copier rental.

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

<u>Year</u>	<u>Amount</u>
2011	\$ 3,733.62
2012	3,552.00
2013	3,552.00
2014	3,552.00
2015	<u>1,776.00</u>
	<u>\$ 16,165.62</u>

Rental payments under operating leases for the year 2010 were \$3,591.98.

Note 14: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2010</u>	<u>2011 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$24,000.00	\$8,000.00

The appropriations in the 2011 Budget as adopted are not less than that required by the statutes.

Note 15: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ 10,000.00	\$ 7,798.14	\$ 12,509.74
2009	10,000.00	5,134.92	10,279.10
2008	5,000.00	3,767.20	5,394.19

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2010.

 Note 16: **JOINT INSURANCE POOL**

The Township of Pittsgrove is a member of the Gloucester, Salem, Cumberland Counties Municipal Joint Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Real and Personal Property
 Crime and Public Employee Bond
 Commercial General Liability
 Law Enforcement Professional Liability
 Business Automotive Insurance
 Workers' Compensation
 Environmental Legal Liability
 Public Officials Liability

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, 2010, which can be obtained from:

Gloucester, Salem and Cumberland County
 Municipal Joint Insurance Fund
 P.O. Box 442
 Hammonton, New Jersey 08037

 Note 17: **OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST**

On November 2, 1999, and November 4, 2003 pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township of Pittsgrove authorized the establishment of the Township of Pittsgrove Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 2000, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the two referendums, the Township levies a tax not to exceed three cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Pittsgrove Open Space, Recreation and Farmland Preservation Trust Funds.

 Note 18: **LITIGATION**

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Current Cash -- Treasurer
For The Year Ended December 31, 2010

		<u>Current Fund</u>
Balance December 31, 2009	\$	1,786,253.36
Increased by Receipts:		
Tax Collector	\$	17,524,582.36
Miscellaneous Revenue Anticipated		989,822.70
Miscellaneous Revenue Not Anticipated		120,540.70
Due State of New Jersey:		
Senior Citizen and Veterans Deductions		129,750.00
Marriage Licenses Fees		980.00
DCA Training Fees		8,382.00
Federal and State Grants Receivable		429,676.56
Federal and State Grants Unappropriated		10,787.43
Reimbursement of 2010 Appropriations		55,213.05
Prepaid License Fees		4,657.00
Temporary Occupancy Permits		3,000.00
Reserve for Garden State Trust		18,963.00
Due from Trust Other Fund		304.57
Due from Animal Control Fund		0.21
Due from Assessment Trust Fund		256.48
Due from General Capital Fund		155.45
Due Trust Other Fund		11,754.34
Petty Cash Fund		200.00
Contra		24,951.49
		<u>19,333,977.34</u>
Total Available		21,120,230.70
Decreased by Disbursements:		
2010 Appropriations		2,961,008.60
2009 Appropriation Reserves		172,820.26
Reserve for Federal and State Grants - Appropriated		155,791.41
County Taxes Payable		6,320,660.02
Local District School Taxes Payable		9,073,538.00
Special District Taxes Payable		614,663.59
Municipal Open Space Taxes Payable		182,113.15
Refund of Tax Overpayments		19,110.06
Due State of New Jersey:		
Marriage Licenses Fees		975.00
DCA Training Fees		5,324.00
Accounts Payable		10,637.50
Due Trust Other Fund		2,767.80
Due From Trust Other Fund		7,553.89
Reserve for Senior Transportation Donations		1,078.00
Payroll Taxes Payable		7,882.98
Petty Cash Fund		200.00
Contra		24,951.49
		<u>19,561,075.75</u>
Total Cash Disbursements		19,561,075.75
Balance December 31, 2010	\$	<u><u>1,559,154.95</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Collector
For The Year Ended December 31, 2010

Balance December 31, 2009		\$	330,420.61
Increased by:			
Receipts:			
Taxes Receivable	\$	17,136,088.36	
Tax Overpayments		28,422.23	
Tax Title Liens		35,462.63	
Prepaid Taxes		147,750.44	
Revenue Accounts Receivable			
Interest and Costs on Taxes	\$	87,018.66	
Tax Searches		<u>160.00</u>	
			87,178.66
Miscellaneous Revenue Not Anticipated			
Interest Earned on Deposits	2,144.03		
Recording Fees	16.00		
Advertising Fees	200.00		
Yard Maintenance Charges	1,349.13		
Tax Abatements	<u>44,862.59</u>		
			48,571.75
Contra			<u>6,692.56</u>
			<u>17,490,166.63</u>
			17,820,587.24
Decreased by:			
Disbursements:			
To Treasurer		17,524,582.36	
Contra		<u>6,692.56</u>	
			<u>17,531,274.92</u>
Balance December 31, 2010		\$	<u><u>289,312.32</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
 Statement of Change Funds
 For the Year Ended December 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Returned</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Collector	\$ 300.00		\$ 300.00
Municipal Court	300.00		300.00
Municipal Clerk	150.00	\$ 50.00	100.00
Construction Code Official	150.00		150.00
	<hr/>		
	\$ 900.00	\$ 50.00	\$ 850.00
	<hr/> <hr/>		<hr/> <hr/>

TOWNSHIP OF PITTSBORO
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For The Year Ended December 31, 2010

Year	Balance Dec. 31, 2009	2010 Levy	Added	Collections		Due From State of New Jersey	Transferred To Tax Title Liens	Canceled	Penalty Assessment	Balance Dec. 31, 2010
				2009	2010					
2002	\$ 3,092.64				\$ 3,092.64					
2003	3,484.32				216.30					\$ 3,268.02
2004	3,080.26									3,080.26
2005	3,414.57									3,414.57
2006	5,586.55									5,586.55
2007	5,583.75				808.87					4,774.88
2008	27,741.17				15,011.33				\$ 704.21	13,434.05
2009	298,902.10				220,430.47	\$ (6,000.00)	\$ 47,694.32	\$ 168.03	4,106.76	40,716.04
	350,885.36				239,559.61	(6,000.00)	47,694.32	168.03	4,810.97	74,274.37
2010		\$ 17,472,691.22	\$ 47,450.11	\$ 133,729.30	16,896,528.75	138,275.79	59,152.89	14,453.94	5,053.83	283,054.49
	\$ 350,885.36	\$ 17,472,691.22	\$ 47,450.11	\$ 133,729.30	\$ 17,136,088.36	\$ 132,275.79	\$ 106,847.21	\$ 14,621.97	\$ 9,864.80	\$ 357,328.86

Analysis of 2010 Property Tax Levied

Tax Yield:

General Property Tax	\$ 16,852,984.22
Fire District Tax	619,707.00
Added Taxes (54:4-63.1 et seq.)	<u>47,450.11</u>
	<u><u>\$ 17,520,141.33</u></u>

Tax Levy:

Local District School Tax (Abstract)	\$ 9,073,538.00
County Taxes:	
County Tax (Abstract)	\$ 6,129,062.65
County Open Space Preservation (Abstract)	143,051.75
Due County for Added and Omitted Taxes:	
County Tax	16,731.25
County Open Space Preservation	<u>394.21</u>
Total County Taxes	6,289,239.86
Fire District Taxes (Amount Certified)	619,707.00
Municipal Open Space Tax:	
Municipal Open Space (Abstract)	182,113.15
Municipal Open Space for Added and Omitted Tax	<u>493.64</u>
Total Municipal Open Space Tax	182,606.79
Local Tax for Municipal Purposes Levied (Abstract)	1,312,964.73
Add: Added and Omitted Tax	29,831.01
Add: Additional Tax Levied	<u>12,253.94</u>
Local Tax for Municipal Purposes Levied	<u>1,355,049.68</u>
	<u><u>\$ 17,520,141.33</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Tax Title Liens
For The Year Ended December 31, 2010

<hr/>	
Balance December 31, 2009	\$ 36,116.54
Increased by:	
Sale of Property Taxes - Prior Years	\$ 47,694.32
Interest & Costs Accrued to Tax Sale	4,585.80
Transferred from Taxes Receivable - 2010	59,152.89
	111,433.01
	147,549.55
Decreased by:	
Collections	35,462.63
Balance December 31, 2010	\$ 112,086.92

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Revenue Accounts Receivable
For The Year Ended December 31, 2010

	Balance Dec. 31, 2009	Accrued in 2010	Collected	Balance Dec. 31, 2010
Miscellaneous Revenues:				
Local Revenues:				
Licenses - Alcohol		\$ 3,975.00	\$ 3,975.00	
Fees and Permits		93,560.47	93,560.47	
Fines and Costs:				
Municipal Court	\$ 2,556.49	41,095.52	42,085.46	\$ 1,566.55
Interest and Costs on Taxes		87,018.66	87,018.66	
Tower Lease		18,001.00	18,001.00	
State Aid Without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief Aid		70,458.03	70,458.03	
Energy Receipts Tax (P.L. 1997, Ch 162 & 167)		599,837.00	599,837.00	
Garden State Trust Pilot		28,444.47	28,444.47	
Dedicated Uniform Construction Code Fees Offset With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17)				
Uniform Construction Code Fees	7,853.00	128,457.00	115,759.00	20,551.00
Other Special Items:				
Uniform Fire Safety Act		14,390.71	14,390.71	
Fines, Penalties, Registrations and Reinspections Bureau of Fire Safety		3,765.00	3,765.00	
Lease Agreement with the Pittsgrove Township Board of Education		47,257.00	47,257.00	
Non-Budget Revenues				
Interest on Investments	2.74		2.74	
Total	\$ 10,412.23	\$ 1,136,259.86	\$ 1,124,554.54	\$ 22,117.55
Treasurer Receipts			\$ 989,822.70	
Collector Receipts			87,178.66	
Reserve for Garden state Trust			28,444.47	
Uniform Fire Safety Act			14,390.71	
Realization of Prepaid License Fees			4,718.00	
			<u>\$ 1,124,554.54</u>	

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Appropriation Reserves
For The Year Ended December 31, 2010

	<u>Balance December 31, 2009</u>	<u>Encumbered</u>	<u>Transfers</u>	<u>Balance After</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>Transfers</u>	<u>Modification</u>	<u>Charged</u>	<u>Fund Balance</u>
OPERATIONS WITHIN "CAPS"						
General Government:						
Administrative and Executive:						
Salaries and Wages	\$ 3,435.47			\$ 3,435.47		\$ 3,435.47
Salary Adjustment	212.98			212.98		212.98
Other Expenses	7,013.95	\$ 8,104.77		15,118.72	\$ 9,619.64	5,499.08
Consultant	28,082.49	11,914.39		39,996.88	12,942.27	27,054.61
Mayor and Township Committee:						
Salaries and Wages	1,150.33			1,150.33		1,150.33
Other Expenses	285.00	75.00		360.00	292.00	68.00
Township Clerk & Administration Office:						
Salaries and Wages	23,979.76		\$ (6,300.00)	17,679.76		17,679.76
Other Expenses						
Miscellaneous Other Expenses	2,434.77	1,115.97		3,550.74	1,095.89	2,454.85
Codification of Ordinances	312.40	438.20	6,300.00	7,050.60	438.20	6,612.40
Elections						
Other Expenses	500.00			500.00		500.00
Financial Administration:						
Salaries and Wages	197.32			197.32		197.32
Other Expenses	1,433.92	1,205.73		2,639.65	1,220.60	1,419.05
Collection of Taxes						
Salaries and Wages	431.53			431.53		431.53
Other Expenses	3,209.51	60.00		3,269.51	252.40	3,017.11
Liquidation of Tax Title Liens & Foreclosed Property						
Other Expenses	100.00			100.00		100.00
Tax Assessment:						
Other Expenses						
Miscellaneous Other Expenses	243.19	3,701.31		3,944.50	3,713.91	230.59
Revision of Tax Map	500.49			500.49	500.49	
Legal Services and Costs:						
Other Expenses	16,648.69	7,051.75		23,700.44	11,783.94	11,916.50
Engineering Services and Costs:						
Other Expenses	790.44	6,598.80	1,000.00	8,389.24	6,900.01	1,489.23

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Appropriation Reserves
For The Year Ended December 31, 2010

	Balance December 31, 2009		Transfers	Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	<u>Reserved</u>	<u>Encumbered</u>				
OPERATIONS WITHIN "CAPS" (Cont'd)						
Economic Development						
Salaries and Wages	\$ 1,034.94			\$ 1,034.94		\$ 1,034.94
Other Expenses	3,154.26	\$ 5,840.00		8,994.26	\$ 5,840.00	3,154.26
Agriculture Advisory Committee						
Other Expenses	891.22			891.22		891.22
Municipal Land Use Law:						
Planning Board:						
Salaries and Wages	1,256.14			1,256.14		1,256.14
Other Expenses	24,112.62	1,526.45		25,639.07	7,247.38	18,391.69
Zoning Office						
Salaries and Wages	5.26			5.26		5.26
Other Expenses	679.07	1,247.99		1,927.06	1,927.06	
Code Enforcement and Administration						
Rent Control Board						
Salaries and Wages	174.32			174.32		174.32
Other Expenses	430.00	41.25		471.25	304.40	166.85
Insurance						
Liability Insurance	0.50			0.50		0.50
Group Insurance Plan for Employees	14,189.89			14,189.89		14,189.89
Public Safety:						
Housing Numbering System						
Other Expenses	450.00			450.00		450.00
Office of Emergency Management:						
Salaries and Wages	24.25			24.25		24.25
Other Expenses	268.69	222.44		491.13	139.98	351.15
Prosecutor						
Other Expenses	2,439.06			2,439.06	2,386.98	52.08
Public Works:						
Road Repairs & Maintenance						
Other Expenses		3,729.62	\$ 500.00	4,229.62	3,766.05	463.57
Other Public Works Functions						
Salaries and Wages	860.30			860.30		860.30
Other Expenses	133.02	108.88	2,500.00	2,741.90	2,721.99	19.91
Recycling						
Other Expenses	31.25	1,670.59		1,701.84	1,236.37	465.47

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
 Statement of Appropriation Reserves
 For The Year Ended December 31, 2010

	Balance December 31, 2009			Balance After	Paid or	Lapsed to
	<u>Reserved</u>	<u>Encumbered</u>	<u>Transfers</u>	<u>Modification</u>	<u>Charged</u>	<u>Fund Balance</u>
OPERATIONS WITHIN "CAPS" (Cont'd)						
Recycling Coordinator						
Salaries and Wages	\$ 266.23			\$ 266.23		\$ 266.23
Buildings and Grounds						
Other Expenses	2,053.42	\$ 38,202.17	\$ 13,500.00	53,755.59	\$ 49,568.46	4,187.13
Shade Tree Advisory Committee						
Other Expenses	205.00			205.00		205.00
Vehicle Maintenance						
Other Expenses	6,722.85	9,040.29		15,763.14	8,642.54	7,120.60
Health and Human Services:						
Board of Health:						
Other Expenses	100.00			100.00		100.00
Environmental Committee						
Other Expenses	615.85			615.85		615.85
Animal Control						
Other Expenses	9,841.24	2,689.00	(9,500.00)	3,030.24	2,689.00	341.24
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages	1,256.04			1,256.04		1,256.04
Other Expenses	3,444.46	4,138.19		7,582.65	4,091.87	3,490.78
Senior Citizen Club						
Other Expenses		32.40		32.40	32.40	
Other Common Operating Functions						
Accumulated Leave Compensation	500.00			500.00		500.00
Celebration of Public Event, Anniversary or Holiday						
Other Expenses		1,761.70		1,761.70	342.50	1,419.20
Utility Expenses and Bulk Purchases						
Utilities:						
Electricity	280.48		5,000.00	5,280.48	5,038.84	241.64
Street Lighting	3,944.36			3,944.36	1,852.03	2,092.33
Telephone	261.47		1,000.00	1,261.47	1,190.73	70.74
Fuel Oil	3,350.00	1,879.96		5,229.96	2,377.60	2,852.36
Telecommunications	1,517.48			1,517.48	303.21	1,214.27
Postage and Express Mail	435.20			435.20	34.00	401.20
Gasoline	6,351.79			6,351.79	3,956.20	2,395.59

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Appropriation Reserves
For The Year Ended December 31, 2010

	<u>Balance December 31, 2009</u>		<u>Transfers</u>	<u>Balance After</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Reserved</u>	<u>Encumbered</u>		<u>Modification</u>	<u>Charged</u>	<u>Fund Balance</u>
OPERATIONS WITHIN "CAPS" (Cont'd)						
Landfill and Solid Waste Disposal Costs						
Landfill Fees	\$ 21,150.00	\$ 24,354.18		\$ 45,504.18	\$ 14,998.05	\$ 30,506.13
Sanitary Landfill - Postclosure						
Other Expenses	2,603.15	1,000.00		3,603.15	2,154.75	1,448.40
Municipal Court:						
Other Expenses	25.53	259.25		284.78	259.25	25.53
Public Defender						
Other Expenses		1,500.00		1,500.00	1,500.00	
Code Enforcement and Administrator						
Construction Code Officials						
Other Expenses	5,112.15	2,637.16		7,749.31	2,851.39	4,897.92
Sub-Code Officials						
Building Official / Inspector						
Salaries and Wages	56.64			56.64		56.64
Plumbing Inspector						
Salaries and Wages	33.82			33.82		33.82
Fire Protection Official						
Salaries and Wages	776.00			776.00		776.00
Electrical Inspector						
Salaries and Wages	7.37			7.37		7.37
Total Operations Within "CAPS"	212,007.56	142,147.44		368,155.00	176,212.38	191,942.62
Deferred Charges and Statutory Expenditures -						
 Municipal Within "CAPS"						
Contribution to:						
Social Security System	14,440.85		\$ (14,000.00)	440.85		440.85
State Disability Insurance	96.58			96.58		96.58
Total Deferred Charges and Statutory						
 Expenditures - Municipal Within "CAPS"	14,537.43	-		537.43	-	537.43

(Continued)

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Appropriation Reserves
For The Year Ended December 31, 2010

	Balance December 31, 2009			Balance After	Paid or	Lapsed to
	<u>Reserved</u>	<u>Encumbered</u>	<u>Transfers</u>	<u>Modification</u>	<u>Charged</u>	<u>Fund Balance</u>
OPERATIONS EXCLUDED FROM "CAPS"						
Public Works Functions						
Gypsy Moth						
Other Expenses		\$ 8,787.78		\$ 8,787.78		\$ 8,787.78
Landfill / Solid Waste Disposal Costs						
Recycling Tax	\$ 1,700.00	1,843.72		3,543.72	\$ 1,131.15	2,412.57
Total Operations Excluded From "CAPS"	<u>1,700.00</u>	<u>10,631.50</u>		<u>12,331.50</u>	<u>1,131.15</u>	<u>11,200.35</u>
	<u>\$ 228,244.99</u>	<u>\$ 152,778.94</u>	<u>\$ -</u>	<u>\$ 381,023.93</u>	<u>\$ 177,343.53</u>	<u>\$ 203,680.40</u>
				Cash Disbursements	\$ 172,820.26	
				Transfer to Accounts Payable	<u>4,523.27</u>	
					<u>\$ 177,343.53</u>	

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Local District School Taxes Payable
For The Year Ended December 31, 2010

Increased by:	
2010 Tax Levy - Calendar Year	<u>\$ 9,073,538.00</u>
Decreased by:	
Disbursements	<u><u>\$ 9,073,538.00</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of County Taxes Payable
For The Year Ended December 31, 2010

Balance December 31, 2009		\$ 48,545.62
Increased by:		
2010 Tax Levy:		
General County	\$ 6,129,062.65	
Open Space Preservation	143,051.75	
Added and Omitted Taxes	<u>17,125.46</u>	
		<u>6,289,239.86</u>
		6,337,785.48
Decreased by:		
Disbursements		<u>6,320,660.02</u>
Balance December 31, 2010		<u><u>\$ 17,125.46</u></u>
County Taxes Payable - Added and Omitted Taxes		<u><u>\$ 17,125.46</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Special District Taxes Payable
For The Year Ended December 31, 2010

Balance December 31, 2009		\$ 149,884.37
Increased by:		
2010 Tax Levy		619,707.00
		769,591.37
Decreased by:		
Disbursements	\$ 614,663.59	
Cancelation of Payable	1.03	
		614,664.62
Balance December 31, 2010		\$ 154,926.75

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Municipal Open Space Taxes Payable
For The Year Ended December 31, 2010

2010 Tax Levy:		
Open Space Preservation	\$	182,113.15
Added and Omitted Taxes		<u>493.64</u>
		<u>\$ 182,606.79</u>
		182,606.79
Decreased by:		
Disbursements		<u>182,113.15</u>
Balance December 31, 2010		<u><u>\$ 493.64</u></u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Tax Overpayments
For The Year Ended December 31, 2010

Balance December 31, 2009	\$	1,807.48
Increased by:		
Tax Overpayments Received		28,422.23
		30,229.71
Decreased by:		
Refunded		19,110.06
Balance December 31, 2010	\$	11,119.65

CURRENT FUND
Statement of Prepaid Taxes
For The Year Ended December 31, 2010

Balance December 31, 2009	\$	133,730.13
Increased by:		
Collections - 2011 Taxes		147,750.44
		281,480.57
Decreased by:		
Applied to 2010 Taxes Receivable		133,729.30
Balance December 31, 2010	\$	147,751.27

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Due to State of New Jersey
Senior Citizens and Veterans' Deductions
For The Year Ended December 31, 2010

Balance December 31, 2009		\$ 9,295.18
Increased by:		
Received from State of New Jersey		129,750.00
		139,045.18
Decreased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 43,000.00	
Veterans	89,250.00	
Deductions Allowed by Collector:		
Senior Citizens - 2010 Taxes	1,000.00	
Veterans - 2010 Taxes	7,810.82	
Senior Citizens - 2009 Taxes	250.00	
	\$ 141,310.82	
Less:		
Deductions Disallowed by Collector:		
Senior Citizens - 2010 Taxes	2,785.03	
Senior Citizens - 2009 Taxes	6,250.00	
	9,035.03	
Total State Share Applied to Taxes Receivable		132,275.79
Balance December 31, 2010		\$ 6,769.39

Exhibit SA-15

CURRENT FUND
Statement of Property Acquired for Taxes - Assessed Valuation
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 1,386,000.00
Decreased by:		
Prior Year Adjustment for Sale of Property		16,800.00
Balance December 31, 2010		\$ 1,369,200.00

TOWNSHIP OF PITTSBORO
CURRENT FUND
 Statement of Deferred Charges
 Special Emergency Appropriation Per N.J.S.A. 40A:4-55
 For The Year Ended December 31, 2010

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2009</u>	<u>Amount Raised in the 2010 Budget</u>	<u>Balance Dec. 31, 2010</u>
11/21/05	Revision of Master Plan	\$ 40,000.00	\$ 8,000.00	<u>\$ 32,000.00</u>	<u>\$ 8,000.00</u>	<u>\$ 24,000.00</u>
				<u>\$ 32,000.00</u>	<u>\$ 8,000.00</u>	<u>\$ 24,000.00</u>

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Due to State of New Jersey -- Marriage License Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$	195.00
Increased by:		
Receipts		980.00
		1,175.00
Decreased by:		
Disbursements		975.00
Balance December 31, 2010	\$	200.00

Exhibit SA-18

CURRENT FUND
Statement of Due State of New Jersey -- DCA Training Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$	1,244.00
Increased by:		
Receipts		8,382.00
		9,626.00
Decreased by:		
Disbursements		5,324.00
Balance December 31, 2010	\$	4,302.00

Exhibit SA-19

CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2010

Balance December 31, 2009		
Increased by:		
Allocated from Prior Year Encumbrances Payable	\$	62,642.49
Transferred from 2009 Appropriation Reserves		4,523.27
		67,165.76
Decreased by:		
Disbursements	\$	10,637.50
Canceled		45,794.12
		56,431.62
Balance December 31, 2010	\$	10,734.14

TOWNSHIP OF PITTSBORO
CURRENT FUND
Statement of Prepaid License Fees
For the Year Ended December 31, 2010

Balance December 31, 2009	\$	4,718.00
Increased by:		
Receipts		4,657.00
		9,375.00
Decreased by:		
Realized as Revenue in 2010 Budget		4,718.00
Balance December 31, 2010	\$	4,657.00

Exhibit SA-21

CURRENT FUND
Statement of Reserve for Garden State Preservation Trust
For the Year Ended December 31, 2010

Balance December 31, 2009	\$	28,444.47
Increased by:		
Receipts		18,963.00
		47,407.47
Decreased by:		
Realized as Revenue in 2010 Budget		28,444.47
Balance December 31, 2010	\$	18,963.00

TOWNSHIP OF PITTSBORO
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For The Year Ended December 31, 2010

<u>Program</u>	<u>Balance Dec. 31, 2009</u>	<u>Anticipated as Revenue</u>	<u>Received</u>	<u>Balance Dec. 31, 2010</u>
Federal Grants:				
Small Cities - Senior Citizen Center Phase III	\$ 137,078.00		\$ 137,078.00	
Small Cities Grant		\$ 100,000.00		\$ 100,000.00
Small Cities Development Block Grant	83,993.00			83,993.00
Total Federal Grants	221,071.00	100,000.00	137,078.00	183,993.00
State Grants:				
Municipal Alliance Program	7,248.34	6,285.61	4,553.23	8,980.72
Senior Citizens Disabled Resident Transportation Act	27,574.49	127,970.48	140,621.02	14,923.95
Clean Communities Program		18,915.39	18,915.39	
Transportation Trust	150,000.00			150,000.00
NJ Department of Transportation	125,000.00		125,000.00	
Uniform Fire Safety	3,508.92		3,508.92	
Hazardous Discharge Site Remediation	4,032.00			4,032.00
Municipal Stormwater Regulation Program	8,468.00			8,468.00
Total State Grants	325,831.75	153,171.48	292,598.56	186,404.67
Total All Grants	\$ 546,902.75	\$ 253,171.48	\$ 429,676.56	\$ 370,397.67
Anticipated in Budget		\$ 234,256.09		
Anticipated by 40A:4-87		18,915.39		
Cash Received in Current Fund			\$ 429,676.56	
		\$ 253,171.48	\$ 429,676.56	

TOWNSHIP OF PITTSBORO
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Appropriated
For The Year Ended December 31, 2010

	Balance Dec. 31, 2009	Transferred from 2010 Budget Appropriation	Transferred to Trust Other Fund	Liquidation of Prior Year Encumbrances	Paid or Charged	Balance Dec. 31, 2010
Federal Grants:						
Small Cities Development Block Grant	\$ 49,100.03					\$ 49,100.03
Small Cities Block Grant		\$ 100,000.00			\$ 20,000.00	80,000.00
Total Federal Grants	49,100.03	100,000.00			20,000.00	129,100.03
State Grants:						
Recycling Tonnage Grant	7,750.58			\$ 459.27	8,209.85	
Clean Communities Program	1,712.14	18,915.39		649.73	19,951.43	1,325.83
Municipal Alliance Program	8,063.77	7,857.01		3,119.38	7,038.04	12,002.12
Senior Citizens and Disabled Residents Transportation Program		127,970.48			127,970.48	
New Jersey Transportation Trust	150,000.00				15,000.00	135,000.00
Municipal Storm Water Regulation	8,468.00					8,468.00
Municipal Court Alcohol Education and Rehabilitation	897.09			797.83	747.83	947.09
Uniform Fire Safety Act	76,079.83		\$ 76,079.83	2,061.00	2,061.00	
Hazardous Discharge Site Remediation	4,452.87					4,452.87
SFSP Fire District	0.01					0.01
Total State Grants	257,424.29	154,742.88	76,079.83	7,087.21	180,978.63	162,195.92
Total All Grants	\$ 306,524.32	\$ 254,742.88	\$ 76,079.83	\$ 7,087.21	\$ 200,978.63	\$ 291,295.95
Budget Appropriation		\$ 235,827.49				
Appropriation by 40A:4-87		18,915.39				
Cash Disbursed by Current Fund					\$ 155,791.41	
Reserve for Encumbrances					45,187.22	
Reserve for Grants Appropriated						\$ 291,295.95
		<u>\$ 254,742.88</u>			<u>\$ 200,978.63</u>	<u>\$ 291,295.95</u>

TOWNSHIP OF PITTSBORO
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Unappropriated
For The Year Ended December 31, 2010

	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
State Grants:		
Recycling Grant	\$ 10,787.43	\$ 10,787.43
Total State Grants	<u>10,787.43</u>	<u>10,787.43</u>
Total All Grants	<u>\$ 10,787.43</u>	<u>\$ 10,787.43</u>
Cash Received in Current Fund	<u>\$ 10,787.43</u>	

TOWNSHIP OF PITTSBORO
FEDERAL AND STATE GRANT FUND
Statement of Due Current Fund
For The Year Ended December 31, 2010

Balance December 31, 2009		\$	234,873.71
Increased by:			
Grant Funds Anticipated	\$	253,171.48	
Reserves Transferred to Trust Other Fund		76,079.83	
Grant Fund Expenditures Paid by Current Fund		<u>155,791.41</u>	
			485,042.72
Decreased by:			
Grant Fund Receipts Deposited in Current Fund		440,463.99	
Deferred Charges Raised in Current Fund Budget		1,582.49	
Grant Funds Appropriated		<u>254,742.88</u>	
			<u>696,789.36</u>
Balance December 31, 2010		\$	<u><u>23,127.07</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF PITTSBORO
TRUST FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2010

	Animal Control Fund	Trust Other Fund	Open Space Trust Fund	Assessment Fund
Balance December 31, 2009	\$ 679.49	\$ 766,493.16	\$ 774,815.53	\$ 24,653.20
Increased by Receipts:				
Interest		\$ 8,184.60	\$ 6,966.61	
Due State of New Jersey	\$ 3,307.20			
Due Current Fund - Interest on Deposits	12.08	3,212.98		\$ 81.14
Due Current Fund		2,786.68		474.42
Net Payroll		834,132.53		
Assessment Receivable				3,993.94
Loan Receivables		344.64		
Reserve for Animal Control Trust Fund	12,641.80			
Reserve for Trust Other Fund		1,934,904.21		
Municipal Open Space Tax Levy			182,113.15	
	<u>\$ 15,961.08</u>	<u>2,783,565.64</u>	<u>189,079.76</u>	<u>4,549.50</u>
	16,640.57	3,550,058.80	963,895.29	29,202.70
Decreased by Disbursements				
Due State of New Jersey	3,307.20			
Due Current Fund - Interest on Deposits	11.77	3,012.88		495.90
Due Current Fund	0.21	304.57		256.48
Net Payroll		834,132.53		
Assessment Serial Bonds Payable				10,000.00
Liquidation of Prior Year Encumbrances			23,987.00	
Reserve for Animal Control Trust Fund	12,265.15			
Reserve for Trust Other Fund		1,292,708.31		
Reserve for Municipal Open Space Trust Fund			24,546.90	
	<u>15,584.33</u>	<u>2,130,158.29</u>	<u>48,533.90</u>	<u>10,752.38</u>
Balance December 31, 2010	<u>\$ 1,056.24</u>	<u>\$ 1,419,900.51</u>	<u>\$ 915,361.39</u>	<u>\$ 18,450.32</u>

TOWNSHIP OF PITTSBORO
TRUST FUND - ANIMAL CONTROL FUND
Statement of Due State of New Jersey - Department of Health
For the Year Ended December 31, 2010

Increased by:

State License Fees Received in Current Fund	<u>\$ 3,307.20</u>
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Decreased by:

State License Fees Disbursed by Current Fund	<u><u>\$ 3,307.20</u></u>
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TOWNSHIP OF PITTSBORO
TRUST FUND - ANIMAL CONTROL FUND
 Statement of Reserve
 For the Year Ended December 31, 2010

Balance December 31, 2009	\$	679.28
Increased by:		
Animal Control License Fees Collected		12,641.80
		13,321.08
Decreased by:		
Animal Control Expenditures		12,265.15
Balance December 31, 2010	\$	1,055.93

License Fees Collected

<u>Year</u>	<u>Amount</u>
2008	\$ 13,316.60
2009	13,517.80
	\$ 26,834.40

TOWNSHIP OF PITTSBORO
TRUST FUND - ANIMAL CONTROL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 0.21
Increased by:		
Interest Earned on Deposits		<u>12.08</u>
		12.29
Decreased by:		
Disbursed to Current fund:		
Due Current Fund	\$ 0.21	
Due Current Fund - Interest Earned on Deposits	<u>11.77</u>	
		<u>11.98</u>
Balance December 31, 2010		<u><u>\$ 0.31</u></u>

TOWNSHIP OF PITTSBORO
TRUST - OTHER FUNDS
Statement of Reserves
For the Year Ended December 31, 2010

Trust Other Fund	Balance Dec. 31, 2009	Increased by					Decreased by		Balance Dec. 31, 2010
		Interest Earnings	Received in Current Fund	Due from Current Fund	Liquidation of Prior Year Encumbrances	Receipts	Disbursements	Disbursed by Current Fund	
Accumulated Absenses	\$ 25,294.18								\$ 25,294.18
Affordable Housing	255,019.16	\$ 3,330.32				\$ 2,314.75			260,664.23
Developers Escrow	105,589.14	422.65			\$ 3,046.04	62,188.91	\$ 64,439.37		106,807.37
Environmental Commission	476.73						332.00		144.73
Lake Centerton Park Home Owner Escrow	5,047.63	16.71							5,064.34
Landfill Closure	153,280.24	3,096.38							156,376.62
Payroll Deductions Payable						487,571.35	479,827.92		7,743.43
Performance Bond - Edgewood Escrow		652.63				618,034.20	7,673.57		611,013.26
Performance Bond Escrow	20,066.40					13,687.00	12,502.40		21,251.00
Pittsgrove Day	6,566.03				6.00	8,845.00	7,784.78		7,632.25
Public Defender	2,226.56					3,611.00	5,200.00		637.56
Recreation Commission	5,495.27					3,923.50	5,622.00		3,796.77
Revolving Loan Fund	3,498.27						344.64		3,153.63
Small Cities	34,048.21	637.13			4,915.70	29,842.00	18,896.99		50,546.05
Tax Title Lien Redemption	137,600.00					694,886.50	682,286.50		150,200.00
Uniform Fire Safety			\$ 11,754.34	\$ 76,079.83				\$ 7,553.89	80,280.28
Unemployment	10,279.10	28.78				10,000.00	7,798.14		12,509.74
Total Trust Other Fund	\$ 764,486.92	\$ 8,184.60	\$ 11,754.34	\$ 76,079.83	\$ 7,967.74	\$ 1,934,904.21	\$ 1,292,708.31	\$ 7,553.89	\$ 1,503,115.44

TOWNSHIP OF PITTSGROVE
TRUST - OTHER FUNDS
Statement of Due To / (From) Current Fund
For the Year Ended December 31, 2010

<u>Trust Other Fund</u>	Balance Dec. 31, 2009	Increased by				Decreased by			Balance Dec. 31, 2010
		Interest Earnings	Net Excess Transfers	Received from Current Fund	Trust Expenditures Disbursed by Current Fund	Disbursed to Current Fund	Trust Receipts Received in Current Fund	Reserve Due from Current Fund	
Accumulated Absenses	\$ 108.02	\$ 967.73				\$ 994.60			\$ 81.15
Developers Escrow	113.71	1,408.26				1,521.97			
Environmental Commission	0.11	1.39				1.46			0.04
Payroll		73.80	\$ 18.88			85.86			6.82
Performance Bond Escrow	79.57	83.61				79.57			83.61
Pittsgrove Day	1.46	29.17				28.41			2.22
Public Defender	0.49	12.08				11.09			1.48
Recreation Commission	1.21	16.73				16.82			1.12
Tax Title Lien Redemption	(2,767.80)	620.21		\$ 2,767.80		577.67			42.54
Unifrom Fire Safety					\$ 7,553.89		\$ 11,754.34	\$ 76,079.83	(80,280.28)
Total Trust Other Fund	\$ (2,463.23)	\$ 3,212.98	\$ 18.88	\$ 2,767.80	\$ 7,553.89	\$ 3,317.45	\$ 11,754.34	\$ 76,079.83	\$ (80,061.30)

TOWNSHIP OF PITTSBORO
TRUST OTHER FUND
Statement of Loan Receivables
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 3,498.27
Decreased by:	
Receipts	<u>344.64</u>
Balance December 31, 2010	<u><u>\$ 3,153.63</u></u>

TOWNSHIP OF PITTSBORO
TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Reserve for Future Use
For The Year Ended December 31, 2010

Balance December 31, 2009		\$ 750,828.53
Increased by:		
2010 Levy	\$ 182,113.15	
2010 Added/Omitted Taxes	493.64	
Interest Earned on Deposits	6,966.61	
		189,573.40
		940,401.93
Decreased by:		
Expended		24,546.90
Balance December 31, 2010		\$ 915,855.03
<u>Analysis of Balance:</u>		
Cash		\$ 915,361.39
Due from Current Fund		493.64
Reserve for Future Use		\$ 915,855.03

TOWNSHIP OF PITTSBORO
 TRUST FUND - ASSESSMENT FUND
 Statement of Assessments Receivable
 For The Year Ended December 31, 2010

<u>Description</u>	<u>Date of Ordinance</u>	<u>Installments</u>	<u>Due Dates</u>	<u>Balance Dec. 31, 2009</u>	<u>Collections</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2010</u>
Madison, Lincoln and Jefferson Roads	02/25/87	20 Annual	N/A	\$ 2,227.08		\$ 2,227.08	
Lincoln and Cedar Ridge Park Roads	04/27/94	40 Semi Annual	6/1 and 12/1 2011-2013	<u>14,960.12</u>	<u>\$ 3,993.94</u>	<u>1,356.84</u>	<u>\$ 9,609.34</u>
				<u>\$ 17,187.20</u>	<u>\$ 3,993.94</u>	<u>\$ 3,583.92</u>	<u>\$ 9,609.34</u>
					<u>\$ 3,993.94</u>		
						\$ 2,227.08	
						<u>1,356.84</u>	
						<u>3,583.92</u>	

TOWNSHIP OF PITTSBORO
TRUST FUND - ASSESSMENT FUND
Statement of Due Current Fund
For the Year Ended December 31, 2010

<hr/>	
Balance December 31, 2009	\$ 256.48
Increased by:	
Interest Earned on Deposits	\$ 81.14
Interest Received on Assessments	<u>474.42</u>
	<u>555.56</u>
	812.04
Decreased by:	
Disbursed to Current fund:	
Due Current Fund	256.48
Due Current Fund - Interest Earned on Deposits	<u>495.90</u>
	<u>752.38</u>
Balance December 31, 2010	<u><u>\$ 59.66</u></u>

TOWNSHIP OF PITTSBORO
TRUST FUND - ASSESSMENT FUND
Statement of Assessment Serial Bonds
For The Year Ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid by Assessment Fund</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Improvements to Lincoln and Cedar Ridge Park Roads	09/01/93	\$ 198,000.00	09/01/11	\$ 10,000.00	5.000%			
			09/01/12	10,000.00	5.000%			
			09/01/13	8,000.00	5.000%			
						\$ 38,000.00	\$ 10,000.00	\$ 28,000.00
						<u>\$ 38,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 28,000.00</u>

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of General Capital Cash Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2010 and 2009

Balance December 31, 2009		\$	680,833.75
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	\$	100.00	
Bond Anticipation Notes		653,500.00	
Due Current Fund - Interest Earned on Deposits		<u>1,847.04</u>	
			<u>655,447.04</u>
			1,336,280.79
Decreased by Disbursements:			
Improvement Authorizations		213,559.68	
Bond Anticipation Notes		653,500.00	
Reserve for:			
Improvements to Municipal Building		8,366.01	
Improvements to Municipal Parks		5,024.00	
Resurfacing of Roads		13,420.00	
Due Current Fund		155.45	
Due Current Fund - Interest Earned on Deposits		<u>1,713.15</u>	
			<u>895,738.29</u>
Balance December 31, 2010		\$	<u><u>440,542.50</u></u>

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For The Year Ended December 31, 2010

	Balance (Deficit) Dec. 31, 2009	Receipts			Disbursements			Transfers		Balance (Deficit) Dec. 31, 2010
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
General Capital Fund Balance	\$ 5,991.38									\$ 5,991.38
Capital Improvement Fund	27,731.50	\$ 100.00								27,831.50
Due to (from) Current Fund	155.45			\$ 1,847.04			\$ 1,868.60			133.89
Encumbrances Payable	128,860.81							\$ 128,860.81	\$ 21,186.95	21,186.95
Reserve for Payment of Debt	136.00									136.00
Reserve for Improvements to Bikeway	12,700.57									12,700.57
Reserve for Improvements to Municipal Building							8,366.01		8,366.01	
Reserve for Improvements to Municipal Parks							5,024.00		5,024.00	
Reserve for Resurfacing of Roads	13,884.32						13,420.00			464.32
Reserve for Senior Citizen Center	0.40								9,055.58	9,055.98
Improvement Authorizations:										
Ordinance										
Number										
2001-03 Various Capital Improvements					\$ 16,391.95				16,391.95	
2004-07 Various Capital Improvements									628.67	628.67
2006-06 Various Capital Improvements	(117,105.10)									(117,105.10)
2007-02 Various Capital Improvements	225,280.00		\$ 242,700.00		102,539.72	\$ 242,700.00			1,262.72	124,003.00
2008-05 Purchase of Land	6,665.69									6,665.69
2008-07 Various Capital Improvements	205,291.79		285,000.00		63,273.78	285,000.00			50,593.88	192,611.89
2009-08 Various Capital Improvements	68,462.00		125,800.00		27,377.78	125,800.00		21,186.95	29,119.00	49,016.27
2009-11 Acquisition and Installation of Well and Water Tank	1,872.54									1,872.54
2009-14 Various Capital Improvements	100,906.40				3,976.45				8,419.00	105,348.95
	<u>\$ 680,833.75</u>	<u>\$ 100.00</u>	<u>\$ 653,500.00</u>	<u>\$ 1,847.04</u>	<u>\$ 213,559.68</u>	<u>\$ 653,500.00</u>	<u>\$ 28,678.61</u>	<u>\$ 150,047.76</u>	<u>\$ 150,047.76</u>	<u>\$ 440,542.50</u>

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of Due Current Fund
For The Year Ended December 31, 2010

Balance December 31, 2009		\$	155.45
Increased by:			
Interest Earned on Deposits			1,847.04
			2,002.49
Decreased by:			
Due Current Fund - Interest Earned on Deposits	\$	1,713.15	
Due Current Fund		155.45	
			1,868.60
Balance December 31, 2010		\$	133.89

EXHIBIT SC-4

GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For The Year Ended December 31, 2010

Balance December 31, 2009		\$	1,650,000.00
Decreased by:			
Budget Appropriation:			
Payment of Bonds Payable			230,000.00
Balance December 31, 2010		\$	1,420,000.00

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation--Unfunded
 For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	Notes Paid by Budget Appropriation	Balance Dec. 31, 2010	Analysis of Balance December 31, 2010		
					Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2006-06	Various Capital Improvements	\$ 143,925.00		\$ 143,925.00		\$ 117,105.10	\$ 26,819.90
2007-02	Various Capital Improvements	252,720.00	\$ 10,000.00	242,720.00	\$ 242,700.00		20.00
2008-07	Various Capital Improvements	300,000.00	15,000.00	285,000.00	285,000.00		
2009-07	Various Capital Improvements	125,800.00		125,800.00	125,800.00		
		<u>\$ 822,445.00</u>	<u>\$ 25,000.00</u>	<u>\$ 797,445.00</u>	<u>\$ 653,500.00</u>	<u>\$ 117,105.10</u>	<u>\$ 26,839.90</u>

Improvement Authorizations - Unfunded		\$ 392,471.06
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:		
	<u>Ordinance No.</u>	
	2007-02	\$ 124,003.00
	2008-07	192,611.89
	2009-08	<u>49,016.27</u>
		<u>(365,631.16)</u>
		<u>\$ 26,839.90</u>

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For The Year Ended December 31, 2010

Balance December 31, 2009	\$ 27,731.50
Increased by:	
2010 Budget Appropriation	<u>100.00</u>
Balance December 31, 2010	<u><u>\$ 27,831.50</u></u>

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For The Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance		Balance December 31, 2009		Liquidation of Prior Year Encumbrances	Paid or Charged	Balance December 31, 2010		
			Amount		Funded	Unfunded			Funded	Unfunded	
2001-03	Various Capital Improvements	08/14/01	\$ 403,175.00				\$ 16,391.95	\$ 16,391.95			
2004-07	Various Capital Improvements	09/14/04	480,000.00				628.67		\$ 628.67		
2006-06	Various Capital Improvements	06/27/06	151,500.00		\$ 26,819.90					\$ 26,819.90	
2007-02	Various Capital Improvements	05/08/07	267,720.00			225,300.00	1,262.72	102,539.72		124,023.00	
2008-05	Purchase of Land	05/27/08	113,503.59	\$ 6,665.69					6,665.69		
2008-07	Various Capital Improvements	07/22/08	315,000.00			205,291.79	50,593.88	63,273.78		192,611.89	
2009-08	Various Capital Improvements	06/23/09	132,380.00			68,462.00	29,119.00	48,564.73		49,016.27	
2009-11	Acquisition and Installation of Well and Water Tank	07/09/07	8,672.54		1,872.54					1,872.54	
2009-14	Various Capital Improvements	11/24/09	110,000.00		100,906.40		8,419.00	3,976.45		105,348.95	
					\$ 109,444.63	\$ 525,873.69	\$ 106,415.22	\$ 234,746.63	\$ 114,515.85	\$ 392,471.06	
								Cash Disbursements	\$ 213,559.68		
								Encumbrances Payable	21,186.95		
									<u>\$ 234,746.63</u>		

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes Payable
 For The Year Ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2010</u>
2007-02	Various Improvements	09/04/08	\$ 202,195.00	08/27/09 08/26/10	08/27/10 08/27/11	3.125% 1.200%	\$ 252,700.00	\$ 242,700.00	\$ 252,700.00	\$ 242,700.00
2008-07	Various Improvements	09/04/08	300,000.00	08/27/09 08/26/10	08/27/10 08/27/11	3.125% 1.200%	300,000.00	285,000.00	300,000.00	285,000.00
2009-08	Various Improvements	08/27/09	125,800.00	08/27/09 08/26/10	08/27/10 08/27/11	3.125% 1.200%	125,800.00	125,800.00	125,800.00	125,800.00
							<u>\$ 678,500.00</u>	<u>\$ 653,500.00</u>	<u>\$ 678,500.00</u>	<u>\$ 653,500.00</u>
								\$ 653,500.00	\$ 653,500.00	
									25,000.00	
								<u>\$ 653,500.00</u>	<u>\$ 678,500.00</u>	

Renewals
 Paid by Budget Appropriation

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
 Statement of General Obligation Bonds
 For The Year Ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds of 2004	10/13/04	\$ 2,380,000.00	10/15/11	\$ 230,000.00	3.375%			
			10/15/12	230,000.00	3.400%			
			10/15/13	230,000.00	3.500%			
			10/15/14	230,000.00	3.500%			
			10/15/15	250,000.00	3.600%			
			10/15/16	250,000.00	3.700%	\$ 1,650,000.00	\$ 230,000.00	\$ 1,420,000.00
						<u>\$ 1,650,000.00</u>	<u>\$ 230,000.00</u>	<u>\$ 1,420,000.00</u>

TOWNSHIP OF PITTSBORO
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For The Year Ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance Dec. 31, 2010 and 2009
2006-06	Various Capital Improvement	\$ 143,925.00
2007-02	Various Capital Improvement	<u>20.00</u>
		<u>\$ 143,945.00</u>

TOWNSHIP OF PITTSBORO
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

PITTSGROVE TOWNSHIP
Schedule of Findings and Recommendations
For the Year Ended December 31, 2010

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None

PITTSGROVE TOWNSHIP
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

FINANCIAL STATEMENT FINDINGS

Finding No. 2009-1

Condition

There was an overexpenditure of appropriation.

Current Status

This finding has been resolved.

Finding No. 2009-2

Condition

A general ledger is not maintained properly as required by N.J.A.C. 5:30-5.7. General journal entries are not being made in a timely manner. The Township's general ledgers of the various funds are not being reviewed for accuracy.

Current Status

Although adjusting entries were necessary in the Current Fund, they were not material nor numerous enough to warrant a current year finding.

TOWNSHIP OF PITTSBORO
 Officials in Office and Surety Bonds
 For the Year Ended December 31, 2010

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

<u>Name</u>	<u>Title</u>	<u>Bond Amount</u>
Linda A. DuBois	Mayor	\$1,000,000.00 (A,B)
Stanley Wojculewski	Deputy Mayor	1,000,000.00 (A,B)
H. Kirk Craver	Township Committee	1,000,000.00 (A,B)
Jeffrey T. Ridgway, Sr.	Township Committee	1,000,000.00 (A,B)
Peter I. Voros	Township Committee	1,000,000.00 (A,B)
Deborah Turner-Fox	Township Administrator/Purchasing Agent	1,000,000.00 (A,B)
Constance S. Garton	Municipal Clerk, Improvement Search Officer	1,000,000.00 (A,B)
Gwendolyn H. Matlack	Deputy Township Clerk/Registrar of Vital Statistics	1,000,000.00 (A,B)
Donna Jacobs	Chief Financial Officer	1,000,000.00 (A,B)
Jennafer L. Hernandez	Tax Collector, Tax Search Officer	1,000,000.00 (A,B)
Lisa Perella	Tax Assessor	1,000,000.00 (A,B)
Geraldine Hervey	Municipal Court Administrator	1,000,000.00 (A,B)
Patricia Simpson	Deputy Municipal Court Administrator	1,000,000.00 (A,B)
James Grasso	Construction Code Official	1,000,000.00 (A,B)
Thomas Mahoney	Zoning/Housing/Code Enforcement Officer	1,000,000.00 (A,B)
Theodore Baker	Judge of Municipal Court	1,000,000.00 (A,B)
George Rosenberger, Jr.	Solicitor	
Sickels and Associates, Inc.	Engineer	

All of the Bonds were examined and were properly executed.

(A) Public Employee's blanket coverage through the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund has been in effect beginning January 1, 1995.

(B) Additional blanket coverage to \$1,000,000.00 through the Municipal Excess Liability Joint Insurance Fund.

18500

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

