

**TOWNSHIP OF WATERFORD
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR 2011**

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TOWNSHIP OF WATERFORD
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Waterford
Atco, New Jersey 08004

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Waterford, in the County of Camden, State of New Jersey as of December 31, 2011 and 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, 2011. 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.

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.

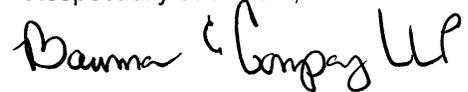
In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Waterford, in the County of Camden, State of New Jersey, as of December 31, 2011 and 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 Waterford, in the County of Camden, State of New Jersey, as of December 31, 2011 and 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, 2011 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 June 12, 2012 on our consideration of the Township of Waterford, in the County of Camden, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements as a whole. The supplemental 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, and are not a required part of the basic financial statements. The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 12, 2012

**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 Waterford
Atco, New Jersey 08004

We have audited the financial statements (regulatory basis) of the Township of Waterford, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 12, 2012, 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. 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

Management of the Township of Waterford is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township'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.

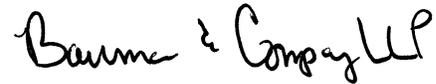
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. 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 Waterford'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 or other matters 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, others within 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



Joseph W. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 12, 2012

TOWNSHIP OF WATERFORD

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Cash--Chief Financial Officer	SA-1	\$ 2,978,592.27	\$ 3,260,353.36
Cash--Collector	SA-2	145,324.73	104,366.75
Cash--Change Fund	SA-3	370.00	370.00
Due from State of New Jersey, Ch. 20, P.L. 1971	SA-4	5,921.21	8,476.29
		<u>3,130,208.21</u>	<u>3,373,566.40</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	648,301.57	593,438.21
Tax Title Liens Receivable	SA-6	461,833.01	407,974.45
Property Acquired for Taxes--Assessed Valuation	A	142,300.00	142,300.00
Property Maintenance Assessments Receivable	SA-6	79,821.98	79,821.98
Revenue Accounts Receivable	SA-7	22,536.18	16,787.49
Due from Bank	SA-2		0.28
Due from General Capital Fund	SC-6		30,000.00
Due from Trust Other Fund	SB-5	4,035.04	1,197.22
		<u>1,358,827.78</u>	<u>1,271,519.63</u>
Deferred Charges:			
Emergency Appropriation (40A:4-48)	A-3	10,000.00	
Special Emergency Appropriation (40A:4-55)	SA-18	210,135.00	20,180.00
		<u>220,135.00</u>	<u>20,180.00</u>
		<u>4,709,170.99</u>	<u>4,665,266.03</u>
Federal and State Grant Fund:			
Cash	SA-1	72,791.25	65,638.05
Federal and State Grants Receivable	SA-19	55,214.00	59,037.00
		<u>128,005.25</u>	<u>124,675.05</u>
		<u>\$ 4,837,176.24</u>	<u>\$ 4,789,941.08</u>

(Continued)

TOWNSHIP OF WATERFORD

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2011 and 2010LIABILITIES, RESERVES
AND FUND BALANCE

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-8	\$ 254,737.76	\$ 201,214.40
Reserve for Encumbrances	A-3;SA-1;SA-8	75,289.62	61,233.70
Contracts Payable	SA-11	195,000.00	
Accounts Payable	SA-9		919.00
Prepaid Taxes	SA-10	148,960.94	148,176.94
Reserve for Sale of Municipal Assets	SA-15	37,160.00	8,900.00
Deposit for Sale of Land	SA-1		17,100.00
Tax Overpayments	SA-12	3.80	0.01
Reserve for Revision of Master Plan	SA-14		581.25
Due County for Added and Omitted Taxes	SA-16	11,554.85	12,090.83
Local District School Taxes Payable	SA-17	1,840,123.25	1,841,511.95
Due to State of New Jersey -- State Training Fees	SA-13	1,461.00	2,444.00
Due Utility Operating Fund	A-3	13,455.28	
		<u>2,577,746.50</u>	<u>2,294,172.08</u>
Reserves for Receivables and Other Assets	A	1,358,827.78	1,271,519.63
Fund Balance	A-1	<u>772,596.71</u>	<u>1,099,574.32</u>
		<u>4,709,170.99</u>	<u>4,665,266.03</u>
Federal and State Grant Fund:			
Reserve for State and Federal Grants:			
Unappropriated	SA-20	2,374.56	
Appropriated	SA-21	125,588.19	120,444.25
Reserve for Encumbrances	SA-1;SA-21	42.50	4,230.80
		<u>128,005.25</u>	<u>124,675.05</u>
		<u>\$ 4,837,176.24</u>	<u>\$ 4,789,941.08</u>

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

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>Revenue and Other Income Realized</u>	<u>2011</u>	<u>2010</u>
Fund Balance Utilized	\$ 872,000.00	\$ 777,000.00
Miscellaneous Revenues Anticipated	2,291,101.08	2,336,027.99
Receipts from Current Taxes	23,836,292.06	23,634,338.80
Receipts from Delinquent Taxes	580,607.14	650,094.73
Non-Budget Revenue	102,553.12	163,985.25
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	200,647.07	202,630.17
Cancellation of Accounts Payable	899.00	
Reserve Liquidated -- Due from Bank	0.28	0.02
	<u>27,884,099.75</u>	<u>27,764,076.96</u>
Total Income		
	<u>27,884,099.75</u>	<u>27,764,076.96</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	3,289,880.82	3,520,407.83
Other Expenses	3,805,796.19	3,344,504.44
Deferred Charges and Statutory Expenditures--		
Municipal--Within "CAPS"	927,954.60	775,782.15
Operations--Excluded from "CAPS":		
Salaries and Wages	167,804.68	170,812.56
Other Expenses	449,064.91	479,319.49
Capital Improvements--Excluded from "CAPS"	20,000.00	10,000.00
Municipal Debt Service--Excluded from "CAPS"	684,272.86	617,179.18
Deferred Charges--Municipal--Excluded from "CAPS"	5,045.00	5,045.00
Judgements--Municipal--Excluded from "CAPS"	52,750.00	119,999.54
County Taxes	6,043,108.42	5,705,658.10
Due County for Added and Omitted Taxes	11,554.85	12,090.83
Local District School Tax	12,080,292.00	12,083,023.00
Prior Year Tax Deductions Disallowed	2,288.20	1,733.33
Refund of Prior Year Revenue	1,427.01	60.00
Reserve Created -- Due from Trust Other Fund	2,837.82	530.98
	<u>27,544,077.36</u>	<u>26,846,146.43</u>
Total Expenditures		
	<u>27,544,077.36</u>	<u>26,846,146.43</u>
Excess (Deficit) in Revenues	<u>340,022.39</u>	<u>917,930.53</u>
Adjustment in Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years	205,000.00	
	<u>205,000.00</u>	
Statutory Excess to Fund Balance	545,022.39	917,930.53
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,099,574.32</u>	<u>958,643.79</u>
	1,644,596.71	1,876,574.32
Decreased by:		
Utilized as Revenue	872,000.00	777,000.00
	<u>872,000.00</u>	<u>777,000.00</u>
Balance Dec. 31	<u>\$ 772,596.71</u>	<u>\$ 1,099,574.32</u>

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

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Revenues--Regulatory Basis
 For the Year Ended December 31, 2011

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 872,000.00	-	\$ 872,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	9,500.00		9,550.00	\$ 50.00
Other	7,500.00		9,334.00	1,834.00
Fees and Permits -- Other	25,500.00		32,793.56	7,293.56
Fines and Costs -- Municipal Court	242,000.00		229,105.27	(12,894.73)
Interest and Costs on Taxes	85,000.00		99,131.00	14,131.00
Interest on Investments and Deposits	29,690.00		44,485.10	14,795.10
Energy Receipts Taxes	1,009,538.00		1,009,538.00	
Consolidated Municipal Property Tax Relief Aid	107,403.00		107,403.00	
Garden State Preservation Trust Fund	187,735.00		187,735.00	
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	70,000.00		134,551.00	64,551.00
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
Public and Private Revenue Off-Set with Appropriations:				
Clean Communities Grant		\$ 20,778.35	20,778.35	
Safe and Secure Communities Program-P.L.1993, Chapter 20	55,214.00	963.00	56,177.00	
Alcohol Education and Rehabilitation Fund		3,290.02	3,290.02	
Recycling Tonnage Grant	14,577.92	14,227.62	28,805.54	
Comcast Technology Grant		18,200.00	18,200.00	
Drunk Driving Enforcement Grant		6,841.68	6,841.68	
Other Special Items:				
Reserve for Payment of Debt -- General Capital Fund	30,000.00		30,000.00	
Liquidation of General Capital Interfund	30,000.00		30,000.00	
Summer Camp Fees	65,000.00		108,016.50	43,016.50
Cable TV Franchise Fees	113,000.00		125,366.06	12,366.06
	2,081,657.92	64,300.67	2,291,101.08	145,142.49
Receipts from Delinquent Taxes	561,000.00	-	580,607.14	19,607.14
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	6,096,391.38		6,160,631.54	64,240.16
Minimum Library Tax	301,536.00		301,536.00	
	6,397,927.38	-	6,462,167.54	64,240.16
Budget Totals	9,912,585.30	64,300.67	10,205,875.76	228,989.79
Non-Budget Revenue	-	-	102,553.12	102,553.12
	\$ 9,912,585.30	\$ 64,300.67	\$ 10,308,428.88	\$ 331,542.91

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections		\$ 23,836,292.06
Allocated to:		
County Taxes		6,054,663.27
School Taxes		12,080,292.00
Library Taxes		<u>301,536.00</u>
Balance for Support of Municipal Budget Appropriations		5,399,800.79
Add: Appropriation "Reserve for Uncollected Taxes"		<u>760,830.75</u>
Amount for Support of Municipal Budget Appropriations		<u><u>\$ 6,160,631.54</u></u>

Revenue from Delinquent Taxes:

Delinquent Taxes:		
Receipts		\$ 579,013.37
Overpayments Applied		0.01
Tax Title Lien Receipts		<u>1,593.76</u>
		<u><u>\$ 580,607.14</u></u>

Fees and Permits--Other:

Revenue Accounts Receivable:		
Clerk		\$ 17,432.89
Planning Board		1,675.78
Zoning Board		2,540.00
Police Department		6,274.89
Property Maintenance		4,350.00
Tax Collector--Searches		<u>520.00</u>
		<u><u>\$ 32,793.56</u></u>

Miscellaneous Revenue not Anticipated:

Chief Financial Officer:		
Senior Citizens and Veterans Administrative Fee	\$ 2,642.96	
Miscellaneous Sales and Refunds	275.64	
Refund of Prior Year Expenditures	2,591.69	
DMV Inspection Fees	3,163.00	
Rental of Municipal Facilities	601.00	
Rental of Cell Phone Tower	27,021.55	
Police Outside Service Administration Fees	6,257.50	
Sale of Recyclable Materials	39,318.81	
Fire Department Fees	<u>4,560.00</u>	
		\$ 86,432.15
Tax Collector:		
Duplicate Tax Bills	265.00	
Copies	506.30	
Cost of Sale Fees	15,219.95	
Miscellaneous Fees	<u>129.72</u>	
		<u>16,120.97</u>
		<u><u>\$ 102,553.12</u></u>

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

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
OPERATIONS--WITHIN "CAPS"						
GENERAL GOVERNMENT FUNCTIONS						
Administration						
Salaries and Wages	\$ 35,400.00	\$ 35,400.00	\$ 35,309.40		\$ 90.60	
Other Expenses	950.00	3,950.00	3,670.72		279.28	
Postage	15,000.00	17,400.00	17,206.33		193.67	
Office Supplies and Equipment Maintenance	25,800.00	25,800.00	25,046.53	335.10	418.37	
Township Committee						
Salaries and Wages	20,400.00	20,400.00	20,395.45		4.55	
Other Expenses	2,835.00	4,835.00	3,580.07	923.56	331.37	
Municipal Clerk						
Salaries and Wages	108,800.00	114,400.00	113,525.44		874.56	
Other Expenses	12,225.00	14,725.00	13,097.23	901.54	726.23	
Elections						
Salaries and Wages	500.00	300.00	196.85		103.15	
Other Expenses	5,600.00	4,300.00	4,162.78		137.22	
Financial Administration						
Salaries and Wages	121,000.00	123,000.00	122,205.77		794.23	
Other Expenses	23,200.00	27,700.00	25,194.78	1,748.80	756.42	
Audit Services						
Other Expenses	37,000.00	37,000.00	37,000.00			
Collection of Taxes						
Salaries and Wages	83,700.00	84,500.00	83,470.25		1,029.75	
Other Expenses	13,710.00	12,710.00	10,145.16		2,564.84	
Assessment of Taxes						
Salaries and Wages	25,800.00	26,200.00	26,158.32		41.68	
Other Expenses	5,450.00	9,450.00	6,699.41	2,131.60	618.99	
Reserve for Preparation of Tax Map (40A:4-55 \$195,000.00)		195,000.00	195,000.00			
Legal Services and Costs						
Other Expenses	81,000.00	136,000.00	131,684.98	1,693.44	2,621.58	
Engineering Services and Costs						
Other Expenses	30,000.00	39,000.00	27,390.76	2,558.00	9,051.24	
Municipal Court						
Salaries and Wages	80,600.00	82,700.00	81,154.63		1,545.37	
Other Expenses	10,240.00	10,240.00	8,232.83	233.16	1,774.01	

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
OPERATIONS--WITHIN "CAPS" (CONTD)						
GENERAL GOVERNMENT FUNCTIONS (CONTD)						
Land Use Administration						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning and Zoning Boards						
Salaries and Wages	\$ 61,400.00	\$ 61,400.00	\$ 61,168.58		231.42	
Other Expenses	11,900.00	9,900.00	9,115.04	84.90	700.06	
Public Defender						
Other Expenses	8,000.00	5,000.00	0.04		4,999.96	
Economic Development Committee						
Other Expenses	20,000.00	20,500.00	20,176.52		323.48	
Insurance:						
Unemployment Compensation Insurance	13,085.18	14,085.18	13,678.48		406.70	
Other Insurance	125,296.00	112,296.00	108,110.86		4,185.14	
Workers Compensation Insurance	292,453.00	281,953.00	276,637.14		5,315.86	
Group Insurance for Employees	967,785.01	977,785.01	975,475.21		2,309.80	
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	1,902,080.82	1,854,080.82	1,852,664.59		1,416.23	
Other Expenses	78,082.00	128,082.00	35,496.16	16,841.76	75,744.08	
Leases -- Police Vehicles	47,400.00	47,400.00	46,659.38		740.62	
Fire Hydrant Services	18,000.00	18,000.00	17,700.00		300.00	
Aid to Volunteer Ambulance Association						
Salaries and Wages	2,500.00	2,500.00	2,500.00			
Other Expenses	31,895.00	31,895.00	22,480.54	4,209.39	5,205.07	
Fire						
Salaries and Wages	2,500.00	2,500.00	2,500.00			
Other Expenses	73,750.00	78,750.00	47,202.73	13,398.27	18,149.00	
Emergency Responders Stipend Program	19,000.00	19,000.00	18,989.07		10.93	
Municipal Prosecutor						
Other Expenses	14,000.00	14,000.00	14,000.00			
Office of Emergency Management						
Other Expenses	50.00	550.00	455.46		94.54	

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
OPERATIONS--WITHIN "CAPS" (CONTD)						
PUBLIC WORKS FUNCTIONS						
Road Repairs and Maintenance						
Salaries and Wages	\$ 429,100.00	\$ 428,100.00	\$ 421,781.54		\$ 6,318.46	
Other Expenses	32,900.00	22,900.00	9,142.02	293.81	13,464.17	
Snow Removal						
Salaries and Wages	18,500.00	13,500.00	11,282.45		2,217.55	
Other Expenses	35,000.00	21,500.00	15,987.69		5,512.31	
Garbage and Trash Removal						
Contractual	383,000.00	358,000.00	352,753.18		5,246.82	
Recycling						
Collection-Contractual	243,500.00	243,500.00	237,850.04		5,649.96	
Public Buildings and Grounds						
Salaries and Wages	93,600.00	94,100.00	92,835.01		1,264.99	
Other Expenses	40,000.00	35,000.00	25,653.95	5,048.72	4,297.33	
Municipal Garage						
Salaries and Wages	132,900.00	132,900.00	129,657.58		3,242.42	
Other Expenses	89,950.00	51,250.00	41,353.07	4,357.97	5,538.96	
Gypsy Moth Spraying						
Other Expenses	11,000.00	5,400.00	5,396.32		3.68	
HEALTH AND HUMAN SERVICES						
Environmental Commission						
Other Expenses	1,280.00	1,280.00	430.00		850.00	
Dog Regulation						
Other Expenses	27,300.00	27,900.00	26,165.00	574.00	1,161.00	
PARK AND RECREATION FUNCTIONS						
Parks and Playgrounds						
Salaries and Wages	115,700.00	116,700.00	116,025.25		674.75	
Other Expenses	63,100.00	84,800.00	56,204.43	19,566.64	9,028.93	
Senior Citizens Activity						
Other Expenses	4,000.00	4,000.00	4,000.00			
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	3,650.00	3,650.00	1,828.58		1,821.42	
Safety Projects	1,000.00	3,500.00	110.90	36.66	3,352.44	

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Appropriations		Paid or		Unexpended	
	Budget	Budget After Modification	Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
State Uniform Construction Code Appropriations Offset by						
Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Official						
Salaries and Wages	\$ 94,900.00	\$ 97,200.00	\$ 96,307.69		892.31	
Other Expenses	5,810.00	5,810.00	4,483.01		1,326.99	
<u>Unclassified</u>						
Utilities:						
Electricity	85,300.00	85,300.00	79,582.45		5,717.55	
Street Lighting	106,000.00	103,000.00	98,977.30		4,022.70	
Telephone and Telegraph	18,450.00	18,950.00	18,479.72		470.28	
Water	2,900.00	4,200.00	4,151.00		49.00	
Natural Gas	32,950.00	22,650.00	22,460.56		189.44	
Sewerage Processing and Disposal	2,600.00	2,900.00	2,888.61		11.39	
Gasoline	107,200.00	125,000.00	124,939.47		60.53	
Solid Waste Disposal Fees						
Other Expenses	289,000.00	278,000.00	255,526.12	352.30	22,121.58	
Total Operations--Within "CAPS"	6,898,977.01	7,095,677.01	6,771,790.43	75,289.62	248,596.96	-
<u>Detail:</u>						
Salaries and Wages	3,329,380.82	3,289,880.82	3,269,138.80		20,742.02	
Other Expenses	3,569,596.19	3,805,796.19	3,502,651.63	75,289.62	227,854.94	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Deferred Charges:						
Anticipated Deficit in Water / Sewer Operating Fund	30,884.00	30,884.00	13,455.28	-	-	\$ 17,428.72
Statutory Expenditures:						
Social Security System (O.A.S.I.)	268,682.32	266,982.32	264,422.41		2,559.91	
Public Employees Retirement System	140,186.00	140,186.00	140,186.00			
Police and Firemans Retirement System	507,331.00	507,331.00	507,331.00			
Total Statutory Expenditures	916,199.32	914,499.32	911,939.41	-	2,559.91	-
Total Operations--Within "CAPS"	947,083.32	945,383.32	925,394.69	-	2,559.91	17,428.72
Total General Appropriations for Municipal Purposes -- Within "CAPS"	7,846,060.33	8,041,060.33	7,697,185.12	75,289.62	251,156.87	17,428.72

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Insurance	\$ 58,455.00	\$ 58,455.00	\$ 58,455.00			
Employee Group Health						
Maintenance of Free Public Library						
Contribution	301,536.00	301,536.00	301,536.00			
Solid Waste Disposal Fees						
Recycling Tax	15,500.00	15,500.00	14,419.11		\$ 1,080.89	
<u>Public and Private Programs Off-Set by Revenues</u>						
Alcohol Education & Rehabilitation Fund		3,290.02	3,290.02			
Other Expenses (N.J.S.A. 40A:4-87 \$3,290.02)						
Drunk Driving Enforcement Grant		6,841.68	6,841.68			
Salaries and Wages (N.J.S.A. 40A:4-87 \$6,841.68)						
Clean Communities Grant		20,778.35	20,778.35			
Other Expenses (N.J.S.A. 40A:4-87 \$20,778.35)						
Safe and Secure Communities Program	160,000.00	160,963.00	160,963.00			
Salaries and Wages (N.J.S.A. 40A:4-87 \$963.00)						
Recycling Tonage Grant	14,577.92	28,805.54	28,805.54			
Other Expenses (N.J.S.A. 40A:4-87 \$14,227.62)						
Comcast Technology Grant		18,200.00	18,200.00			
Other Expenses (N.J.S.A. 40A:4-87 \$18,200.00)						
Matching Funds for Grants	2,500.00	2,500.00			2,500.00	
Total Operations--Excluded from "CAPS"	552,568.92	616,869.59	613,288.70	-	3,580.89	-
Detail:						
Salaries and Wages	160,000.00	167,804.68	167,804.68			
Other Expenses	392,568.92	449,064.91	445,484.02		3,580.89	
<u>CAPITAL IMPROVEMENT--EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	10,000.00	10,000.00	10,000.00			
Down Payment on Improvements (N.J.S.A. 40A:4-48 \$10,000.00)		10,000.00	10,000.00			
Total Capital Improvements	10,000.00	20,000.00	20,000.00	-	-	-

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2011

	Budget	Appropriations Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 425,000.00	\$ 425,000.00	\$ 425,000.00			
Interest on Bonds	215,125.00	215,125.00	214,067.56			\$ 1,057.44
Principal and Interest on Loans	45,205.30	45,205.30	45,205.30			
Total Municipal Debt Service-- Excluded from "CAPS"	685,330.30	685,330.30	684,272.86	-	-	1,057.44
DEFERRED CHARGES:						
Special Emergency Authorizations - 5 Years	5,045.00	5,045.00	5,045.00			
JUDGMENTS:						
Judgments	52,750.00	52,750.00	52,750.00			
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	1,305,694.22	1,379,994.89	1,375,356.56	-	\$ 3,580.89	1,057.44
Subtotal General Appropriations	9,151,754.55	9,421,055.22	9,072,541.68	\$ 75,289.62	254,737.76	18,486.16
Reserve for Uncollected Taxes	760,830.75	760,830.75	760,830.75			
Total General Appropriations	\$ 9,912,585.30	\$ 10,181,885.97	\$ 9,833,372.43	\$ 75,289.62	\$ 254,737.76	\$ 18,486.16
Appropriation by 40A:4-87	\$ 64,300.67					
Appropriation by 40A:4-48 (Emergency)	10,000.00					
Appropriation by 40A:4-55 (Special Emergency)	195,000.00					
Adopted Budget	<u>9,912,585.30</u>					
	\$ 10,181,885.97					
Reserve for Uncollected Taxes			\$ 760,830.75			
Reserve for Federal and State Grants Appropriated			238,878.59			
Reserve for Preparation of Tax Map			195,000.00			
Special Emergency Authorizations - 5 Years			5,045.00			
Due Water / Sewer Utility Operating Fund - Anticipated Deficit			13,455.28			
Reimbursements			(144,397.90)			
Disbursed			<u>8,764,560.71</u>			
			\$ 9,833,372.43			

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

TOWNSHIP OF WATERFORD
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Animal Control Fund:			
Cash--Chief Financial Officer	SB-1	\$ 643.00	\$ 224.00
Due from Municipal Clerk	B	7.00	7.00
		<u>650.00</u>	<u>231.00</u>
Other Funds:			
Cash--Chief Financial Officer	SB-1	220,022.55	123,847.37
Cash--Collector	SB-2	105,150.11	72,903.88
Due from Camden County:			
Municipal Alliance	SB-1;SB-6	6,593.99	16,723.02
Community Development Block Grant Program	SB-4	75,304.10	160,188.21
		<u>407,070.75</u>	<u>373,662.48</u>
		<u>\$ 407,720.75</u>	<u>\$ 373,893.48</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Encumbrances	SB-3	\$ 53.00	
Reserve for Dog Fund Expenditures	SB-3	597.00	\$ 231.00
		<u>650.00</u>	<u>231.00</u>
Other Funds:			
Due Current Fund	SB-5	4,035.04	1,197.22
Reserve for Recreation Contributions	SB-6	18,882.88	21,405.88
Reserve for Parking Offenses Adjudication Act	SB-6	242.00	202.00
Reserve for Celebration of Public Events	SB-6	2,809.55	2,782.56
Reserve for Payroll Deductions Payable	SB-6	33,329.14	25,601.10
Reserve for Developers' Escrow Deposits	SB-6	37,208.55	48,987.67
Reserve for Tax Title Lien Redemptions	SB-6	14,750.11	14,203.88
Reserve for Premiums Received at Tax Sale	SB-6	90,400.00	58,700.00
Reserve for Recycling Funds	SB-6		1,188.59
Reserve for Community Development Block Grant	SB-6	78,307.92	54,936.17
Reserve for Retention Basin Maintenance	SB-6	20,000.00	20,000.00
Reserve for Police Outside Services	SB-6	11,890.00	6,630.00
Reserve for Public Defender	SB-6	10,141.05	10,185.01
Reserve for Maintenance Guarantees	SB-6	46,843.40	4,270.40
Reserve for Municipal Alliance	SB-6	4,936.60	13,044.61
Reserve for Forfeited Property	SB-6	20,786.26	18,727.32
Reserve for Uniform Fire Safety Act	SB-6	50.00	50.00
Reserve for Historic Commission	SB-6	2,422.53	2,422.53
Reserve for Encumbrances	SB-6	10,035.72	14,483.68
Contracts Payable	SB-6		54,643.86
		<u>407,070.75</u>	<u>373,662.48</u>
		<u>\$ 407,720.75</u>	<u>\$ 373,893.48</u>

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

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash--Chief Financial Officer	SC-1	\$ 136,211.35	\$ 1,104,058.59
Deferred Charges to Future Taxation:			
Funded	SC-3	5,854,376.51	6,265,156.68
Unfunded	SC-4	922,331.00	831.19
Due from Economic Development Authority	SC-4	50,000.00	
		<u>\$ 6,962,918.86</u>	<u>\$ 7,370,046.46</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 5,360,000.00	\$ 5,785,000.00
Green Acres Loan	SC-12	444,376.51	480,156.68
Economic Development Authority Loan	SC-4	50,000.00	
Improvement Authorizations:			
Funded	SC-7	195,556.10	655,630.44
Unfunded	SC-7	228,409.98	750.19
Contracts Payable	SC-5	402,344.03	319,314.68
Reserve for Encumbrances	SC-9	74,751.49	8,573.72
Reserve for Payment of Debt	SC-8	205,530.75	65,170.75
Due to Current Fund	SC-6		30,000.00
Capital Improvement Fund	SC-10	1,950.00	25,450.00
		<u>\$ 6,962,918.86</u>	<u>\$ 7,370,046.46</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Cash--Chief Financial Officer	SD-1	\$ 84,861.81	\$ 172,912.87
Cash--Collector	SD-2	2,730.94	2,190.54
Cash--Change Fund	D	100.00	100.00
Due from Current Fund	A-3	<u>13,455.28</u>	<u> </u>
		<u>101,148.03</u>	<u>175,203.41</u>
Receivables with Full Reserves:			
Utility Liens Receivable	SD-13	8,404.74	7,617.22
Consumer Accounts Receivable	SD-4	<u>34,827.07</u>	<u>33,219.61</u>
		<u>43,231.81</u>	<u>40,836.83</u>
Total Operating Fund		<u>144,379.84</u>	<u>216,040.24</u>
Capital Fund:			
Cash--Chief Financial Officer	SD-1	460,819.42	525,727.24
Fixed Capital	SD-7	11,892,888.32	11,872,888.32
Fixed Capital Authorized and Uncompleted	SD-6	<u>583,887.30</u>	<u>615,000.00</u>
Total Capital Fund		<u>12,937,595.04</u>	<u>13,013,615.56</u>
		<u>\$ 13,081,974.88</u>	<u>\$ 13,229,655.80</u>

(Continued)

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

LIABILITIES, RESERVES
AND FUND BALANCE

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3;SD-9	\$ 10,381.72	\$ 3,591.60
Reserve for Encumbrances	SD-14	16,603.54	6,523.74
Water Rent Overpayments	SD-5	490.52	2,085.78
Sewer Rent Overpayments	SD-5	2,070.37	3,575.65
Accrued Interest on Bonds and Notes	SD-8	58,008.95	60,818.42
Reserve for Escrow Deposits	SD-1;SD-14	13,547.66	14,562.95
		<u>101,102.76</u>	<u>91,158.14</u>
Reserve for Receivables	D	43,231.81	40,836.83
Fund Balance	D-1	45.27	84,045.27
		<u>144,379.84</u>	<u>216,040.24</u>
Total Operating Fund			
		<u>144,379.84</u>	<u>216,040.24</u>
Capital Fund:			
Serial Bonds	SD-15	1,691,000.00	1,811,000.00
NJ Environmental Infrastructure Loan	SD-16	2,256,441.14	3,063,596.42
Improvement Authorizations Funded	SD-10	447,464.22	525,727.24
Reserve for Amortization	SD-12	8,526,084.48	7,610,041.90
Deferred Reserve for Amortization	SD-11	3,250.00	3,250.00
Reserve for Encumbrances	SD-10	2,242.50	
Reserve for Payment of Debt	SD-10	11,112.70	
		<u>12,937,595.04</u>	<u>13,013,615.56</u>
Total Capital Fund		<u>12,937,595.04</u>	<u>13,013,615.56</u>
		<u>\$ 13,081,974.88</u>	<u>\$ 13,229,655.80</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>Revenue and Other Income Realized</u>	<u>2011</u>	<u>2010</u>
Fund Balance Realized	\$ 84,000.00	\$ 23,000.00
Water and Sewer Rents	946,383.48	962,051.51
Miscellaneous	48,171.97	26,549.46
Anticipated Deficit (Current Fund Budget)	13,455.28	
Non Budget Revenue	6,834.98	3,992.40
Cancellation of Water and Sewer Overpayments	45.49	3,351.31
Unexpended Balance of Appropriation Reserves	3,591.60	79,392.36
	<u>1,102,482.80</u>	<u>1,098,337.04</u>
Total Income		
	<u>1,102,482.80</u>	<u>1,098,337.04</u>
 <u>Expenditures</u>		
Operating	507,770.52	457,895.85
Debt Service	533,435.28	504,151.97
Deferred Charges and Statutory Expenditures	61,277.00	52,296.10
	<u>1,102,482.80</u>	<u>1,014,343.92</u>
Total Expenditures		
	<u>1,102,482.80</u>	<u>1,014,343.92</u>
Excess in Revenue	<u>-</u>	<u>83,993.12</u>
Adjustment in Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	-	83,993.12
 <u>Fund Balance</u>		
Balance Jan. 1	<u>84,045.27</u>	<u>23,052.15</u>
	84,045.27	107,045.27
Utilized as Revenue:		
Water & Sewer Operating Budget	<u>84,000.00</u>	<u>23,000.00</u>
	<u>84,000.00</u>	<u>23,000.00</u>
Balance Dec. 31	<u>\$ 45.27</u>	<u>\$ 84,045.27</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2011 and 2010

<u>Revenue and Other Income Realized</u>	<u>2011</u>	<u>2010</u>
Fund Balance Realized	\$ 84,000.00	\$ 23,000.00
Water and Sewer Rents	946,383.48	962,051.51
Miscellaneous	48,171.97	26,549.46
Anticipated Deficit (Current Fund Budget)	13,455.28	
Non Budget Revenue	6,834.98	3,992.40
Cancellation of Water and Sewer Overpayments	45.49	3,351.31
Unexpended Balance of Appropriation Reserves	3,591.60	79,392.36
	<u>1,102,482.80</u>	<u>1,098,337.04</u>
Total Income		
	<u>1,102,482.80</u>	<u>1,098,337.04</u>
 <u>Expenditures</u>		
Operating	507,770.52	457,895.85
Debt Service	533,435.28	504,151.97
Deferred Charges and Statutory Expenditures	61,277.00	52,296.10
	<u>1,102,482.80</u>	<u>1,014,343.92</u>
Total Expenditures		
	<u>1,102,482.80</u>	<u>1,014,343.92</u>
Excess in Revenue	<u>-</u>	<u>83,993.12</u>
Adjustment in Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>-</u>	<u>83,993.12</u>
 <u>Fund Balance</u>		
Balance Jan. 1	<u>84,045.27</u>	<u>23,052.15</u>
	84,045.27	107,045.27
Utilized as Revenue:		
Water & Sewer Operating Budget	<u>84,000.00</u>	<u>23,000.00</u>
	<u>84,000.00</u>	<u>23,000.00</u>
Balance Dec. 31	<u>\$ 45.27</u>	<u>\$ 84,045.27</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Revenues--Regulatory Basis
 For the Year Ended December 31, 2011

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Operating Surplus Anticipated	\$ 84,000.00	\$ 84,000.00	
Water Rents	427,600.00	406,686.25	\$ (20,913.75)
Sewer Rents	534,300.00	539,697.23	5,397.23
Water Connection Fees	1,500.00	3,350.00	1,850.00
Sewer Connection Fees	7,000.00	24,350.00	17,350.00
Water Miscellaneous	9,500.00	9,987.13	487.13
Sewer Miscellaneous	7,900.00	10,484.84	2,584.84
Anticipated Deficit (Current Fund Budget)	<u>30,884.00</u>	<u>13,455.28</u>	<u>(17,428.72)</u>
 Budget Totals	 1,102,684.00	 1,092,010.73	 (10,673.27)
 Non-Budget Revenue	 <u>-</u>	 <u>6,834.98</u>	 <u>6,834.98</u>
	<u>\$ 1,102,684.00</u>	<u>\$ 1,098,845.71</u>	<u>\$ (3,838.29)</u>

Analysis of Realized Revenues

Water Miscellaneous:

Receipts Collector:

Interest on Delinquent Rents
 Other Miscellaneous Fees

\$ 4,887.13
5,100.00
\$ 9,987.13

Sewer Miscellaneous:

Receipts Collector:

Interest on Delinquent Rents
 Other Miscellaneous Fees

\$ 10,364.84
120.00
\$ 10,484.84

Miscellaneous Revenue Not Anticipated:

Collector:

Miscellaneous

\$ 293.20

Chief Financial Officer:

Interest on Deposits
 Miscellaneous

1,680.17
865.58

\$ 2,838.95

Due from Utility Capital Fund

Interest on Deposits

3,996.03

\$ 6,834.98

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Expenditures—Regulatory Basis
 For the Year Ended December 31, 2011

	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
Operating:						
Salaries and Wages	\$ 171,400.00	\$ 166,870.52	\$ 165,381.95		\$ 1,488.57	
Other Expenses	339,350.00	340,900.00	316,857.56	\$ 16,462.04	7,580.40	
Total Operating	510,750.00	507,770.52	482,239.51	16,462.04	9,068.97	-
Debt Service:						
Payment of Bond Principal	120,000.00	120,000.00	120,000.00			
Interest on Bonds	70,657.00	70,657.00	70,455.80			\$ 201.20
Environmental Infrastructure Loan Principal and Interest	340,000.00	342,979.48	342,979.48			
Total Debt Service	530,657.00	533,636.48	533,435.28	-	-	201.20
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	46,800.00	46,800.00	46,800.00			
Unemployment Compensation Insurance	1,285.00	1,285.00	983.57		301.43	
Social Security System (O.A.S.I.)	13,192.00	13,192.00	12,180.68		1,011.32	
Total Deferred Charges and Statutory Expenditures	61,277.00	61,277.00	59,964.25	-	1,312.75	-
Total Water & Sewer Utility Appropriations	\$ 1,102,684.00	\$ 1,102,684.00	\$ 1,075,639.04	\$ 16,462.04	\$ 10,381.72	\$ 201.20
Disbursed			\$ 940,519.16			
Accrued Interest on Bonds and Notes			135,119.88			
			<u>\$ 1,075,639.04</u>			

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

TOWNSHIP OF WATERFORD
FIXED ASSET ACCOUNT GROUP
 Statement of General Fixed Asset Account Group
 As of December 31, 2011

	<u>Balance Dec. 31, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance Dec. 31, 2011</u>
General Fixed Assets:					
Land	\$ 1,921,600.00				\$ 1,921,600.00
Buildings	1,828,236.91	\$ 199,597.33			2,027,834.24
Machinery and Equipment	<u>3,795,351.70</u>	<u>689,982.47</u>	<u>\$ 380,126.00</u>		<u>4,105,208.17</u>
	<u>\$ 7,545,188.61</u>	<u>\$ 889,579.80</u>	<u>380,126.00</u>	<u>-</u>	<u>\$ 8,054,642.41</u>
Investment in General Fixed Assets:					
General Capital Fund	<u>\$ 7,545,188.61</u>	<u>\$ 889,579.80</u>	<u>380,126.00</u>	<u>-</u>	<u>\$ 8,054,642.41</u>

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

TOWNSHIP OF WATERFORD
Notes to Financial Statements
For the Year Ended December 31, 2011

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

Description of Financial Reporting Entity - The Township of Waterford was incorporated in 1798 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2010 census is 10,649.

The form of Government is known as a Township pursuant to N.J.S.A. 40A:63-1 et seq. The government consists of five Committee Members who are elected at large to three year staggered terms. Under statute, the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor. The implementation of the policies of the governing body and the day-to-day operations are handled by the Director of Administration and Clerk.

Component Units - The financial statements of the component units of the Township of Waterford 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 unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Waterford Township Free Public Library
 2204 Atco Avenue
 Waterford, New Jersey 08004

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Waterford 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 Waterford 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.

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.

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

Water/Sewer Utility Operating and Capital Funds - The Water/Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water/Sewer Utility.

Budgets and Budgetary Accounting - The Township of Waterford must adopt an annual budget for its current and water/sewer utility 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 Waterford 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 which in the case of real property is the assessed value. 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.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

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.

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

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.

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts 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 Camden and the Township of Waterford School District. 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 Waterford 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 July 1 to June 30, increased by the amount deferred at December 31, 2010 and decreased by the amount deferred at December 31, 2011.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Camden. 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.

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.

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 and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

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.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. 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.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences 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 Township 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 Township relative to the happening of a future condition.

As of December 31, 2011, none of the Township's bank balances of \$4,446,236.14 were exposed to custodial credit.

Note 3: **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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	\$5.198	\$5.111	\$4.925	\$4.771	\$4.760
Apportionment of Tax Rate:					
Municipal	\$1.292	\$1.355	\$1.245	\$1.205	\$1.170
Municipal Library	.063				
County	1.243	1.205	1.088	1.077	1.098
County Open Space Preservation Trust Fund	.039	.000	.040	.038	.035
Local School	2.561	2.551	2.552	2.451	2.457

Assessed Valuation

2011	\$471,810,609.00
2010	473,777,254.00
2009	472,982,984.00
2008	471,791,645.00
2007	467,672,601.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$24,571,819.73	\$23,836,292.06	97.01%
2010	24,266,276.62	23,634,338.80	97.40%
2009	23,408,529.73	22,669,917.69	96.85%
2008	22,621,608.13	21,943,182.74	97.00%
2007	22,414,297.75	21,853,549.95	97.50%

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>
2011	\$461,833.01	\$648,301.57	\$1,110,134.58	4.52%
2010	407,974.45	593,438.21	1,001,412.66	4.13%
2009	377,171.00	653,248.74	1,030,419.74	4.40%
2008	353,008.87	543,359.71	896,368.58	3.96%
2007	324,900.02	558,147.65	883,047.67	3.94%

Note 3: **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>
2011	48
2010	29
2009	35
2008	64
2007	64

Note 4: **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>
2011	\$142,300.00
2010	142,300.00
2009	148,800.00
2008	148,800.00
2007	148,800.00

Note 5: **WATER/SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of water/sewer utility service charges (rents) for the current and previous four years.

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Rents Receivable</u>	<u>Liens</u>			
2011	\$33,219.61	\$7,617.22	\$949,665.60	\$990,502.43	\$946,383.48
2010	26,734.88	6,829.70	969,326.08	1,002,890.66	962,051.51
2009	21,069.69	6,132.18	829,551.10	856,752.97	823,110.92
2008	20,485.73	5,524.66	787,208.88	813,219.27	785,950.40
2007	25,127.28	4,917.14	782,829.66	812,874.08	784,850.94

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 Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2011	\$772,696.71	\$545,000.00	70.53%
2010	1,099,574.32	872,000.00	79.30%
2009	958,643.79	777,000.00	81.05%
2008	1,108,103.05	995,000.00	89.79%
2007	1,423,251.32	936,000.00	65.76%
<u>Water/Sewer Utility Operating Fund</u>			
2011	\$45.27	---	---
2010	84,045.27	\$84,000.00	99.95%
2009	23,052.15	23,000.00	99.77%
2008	98,599.77	98,554.74	99.95%
2007	280,217.37	225,817.37	80.59%

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, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$4,035.04	\$13,455.28
Trust-- Other Funds		4,035.04
Water/Sewer Utility Operating Fund	13,455.28	
	<u>\$17,490.32</u>	<u>\$17,490.32</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2012, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

The Township of Waterford contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are 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. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. 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.

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>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Township</u>
2011	\$80,209.00	\$106,777.00	\$186,986.00	---	---	\$186,986.00
2010	75,497.00	73,664.00	149,161.00	---	---	149,161.00
2009	73,173.00	66,742.00	139,915.00	---	---	139,915.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 10% in October, 2011. 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, 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>Pension Deferral</u>	<u>Funded by State</u>	<u>Paid by Township</u>
2011	\$290,974.00	\$216,357.00	\$507,331.00	---	---	\$507,331.00
2010	244,690.00	160,364.00	405,054.00	---	---	405,054.00
2009	222,628.00	144,021.00	366,649.00	---	---	366,649.00

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

Note 9: **OTHER POST EMPLOYMENT BENEFITS**

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. In 2001, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2001-140. The Township assumes the entire cost of group health insurance for all employees who have retired after twenty-five 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 contributions to SHBP for the years ended December 31, 2011, 2010, and 2009, were \$306,162.18, \$226,697.62, and \$164,226.30, respectively, which equaled the required contributions for each year. There were approximately 19, 16, and 13 retired participants eligible at December 31, 2011, 2010, and 2009, respectively.

Note 10: **COMPENSATED ABSENCES**

Police Officers

Vacation Time - All full-time police officers are entitled to vacation time varying from 120 working hours per year in the first year of employment to 360 working hours per year after completing 20 years of service plus 12 hours for each year over 20 years. Vacation time can be carried forward for a period of one year only.

Sick time - All police officers are entitled to 120 paid sick hours per year. Sick hours not taken may accrue and be carried forward for an amount not to exceed 720 hours. Hours earned and not taken which exceed the maximum are paid currently.

Compensatory time - All police officers are entitled to accumulate compensatory time in lieu of overtime in an amount not to exceed 200 hours.

Other Personnel

Vacation time - Full-time Township employees with at least one year of service are entitled to 11 to 31 vacation days per year depending on length of service. Unused vacation days not used during the year may be accumulated and carried forward for one year. Vacation days not used in the following year are not accumulated. Employees whose employment has terminated with the Township are entitled to be paid for unused vacation time from the current year and one-year prior.

Sick time - Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave is paid to the employee from a budget appropriation at year-end or in January of the following year.

Compensatory time - Employees have the option of taking compensatory time in lieu of cash payments for overtime. The employee may carry up to 40 hours of compensatory time to the following year. Compensatory time over 40 hours at December 31 are paid to the employee the following January.

Non-permanent or seasonal employees are not entitled to compensatory absences.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2011, accrued benefits for compensated absences are valued at \$856,402.12.

Note 11: **DEFERRED COMPENSATION SALARY ACCOUNT**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 12: **LEASE OBLIGATIONS**

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

Capital:
Six (6) Ford Crown Victoria
One (1) Ford Explorer

Operating:
Six (6) Ricoh Copiers

The following is an analysis of capital and operating leases.

Capital Leases - The following capital fixed assets were acquired by capital lease.

	<u>B a l a n c e</u>	
	<u>Dec. 31, 2011</u>	<u>Dec. 31, 2010</u>
Vehicles	\$94,560.99	\$59,127.43

Future minimum lease payments under capital lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$53,432.32
2013	28,391.28
2014	18,927.64

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

<u>Year</u>	<u>Amount</u>
2012	\$9,329.04

Rental payments under operating leases for the year 2011 were \$18,658.08.

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$5,854,376.51	\$6,265,156.68	\$6,020,231.83
Water/Sewer Utility:			
Bonds, Loans and Notes	3,947,441.14	4,874,596.42	4,609,856.19
Total Issued	9,801,817.65	11,139,753.10	10,630,088.02
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	922,331.00	831.19	680,831.19
Water/Sewer Utility:			
Bonds and Notes			636,000.00
Total Authorized but Not Issued	922,331.00	831.19	1,316,831.19
Total Issued and Authorized but Not Issued	10,724,148.65	11,140,584.29	11,946,919.21
Deductions:			
Funds Temporarily Held To Pay Notes	205,530.75	65,170.75	31,622.63
Self-liquidating Debt	3,874,699.34	4,874,596.42	4,049,304.99
Total Deductions	4,080,230.09	4,939,767.17	4,080,927.62
Net Debt	\$6,643,918.56	\$6,200,817.12	\$7,865,991.59

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 .74%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$430,000.00	\$430,000.00	
Water/Sewer Utility	3,947,441.14	3,874,699.34	\$72,741.80
General	6,776,707.51	205,530.75	6,571,176.76
	\$11,154,148.65	\$4,510,230.09	\$6,643,918.56

Net Debt \$6,643,918.56 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$901,625,963.33 equals .74%

Note 13: **CAPITAL DEBT (CONT'D)**

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$31,556,908.72
Net Debt	<u>6,643,918.56</u>
Remaining Borrowing Power	<u>\$24,912,990.16</u>

**Calculation of "Self Liquidating Purpose,"
Water/Sewer Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$1,098,845.71
Deductions:	
Operating and Maintenance Cost	\$569,047.52
Debt Service per Water/Sewer Fund	<u>533,435.28</u>
Total Deductions	<u>1,102,482.8</u>
Deficit in Revenue	<u>\$3,637.09</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

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

<u>Year</u>	<u>General</u>		<u>Water/Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$450,000.00	\$197,343.76	\$130,000.00	\$65,756.26	\$843,100.02
2013	475,000.00	179,000.00	125,000.00	60,756.26	839,756.26
2014	500,000.00	159,187.50	135,000.00	55,578.13	849,765.63
2015	510,000.00	138,662.50	150,000.00	49,937.50	848,600.00
2016	535,000.00	117,275.00	165,000.00	43,621.88	860,896.88
2017-21	2,430,000.00	332,875.00	680,000.00	116,840.64	3,559,715.64
2022-24	460,000.00	16,100.00	306,000.00	22,625.00	804,725.00

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

<u>Year</u>	<u>General</u>		<u>Water/Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$36,499.35	\$8,705.95	\$282,212.19	\$67,738.39	\$395,155.88
2013	37,232.98	7,972.30	285,543.12	60,368.65	391,117.05
2014	37,981.36	7,223.92	296,860.39	52,573.91	394,639.58
2015	38,744.78	6,460.50	232,179.01	44,660.51	322,044.80
2016	39,523.56	5,681.73	189,319.92	41,306.46	275,831.67
2017-21	209,858.35	16,168.07	937,156.92	123,246.24	1,286,429.58
2022	44,536.13	669.15	33,169.59	2,948.63	81,323.50

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, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2011</u>	<u>2012 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$210,135.00	\$44,045.00
Emergency Appropriation	10,000.00	10,000.00

The appropriations in the 2012 Budget as adopted are not less than that required by the statutes.

Note 15: **SCHOOL TAXES**

Waterford Local School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<u>Balance Dec. 31,</u>	
	<u>2011</u>	<u>2010</u>
Balance of Tax	\$6,040,123.25	\$6,041,511.95
Deferred	4,200,000.00	4,200,000.00
	<u>\$1,840,123.25</u>	<u>\$1,841,511.45</u>

Note 16: **JOINT INSURANCE POOL**

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

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- Motor Vehicles

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

The Fund provides the Township with the following coverage:

- Public Employee Dishonesty
- Workers' Compensation
- Employer's Liability
- Public Officials Liability
- Employment Practices Liability
- Property - Blanket Building and Grounds
- Boiler and Machinery
- General and Automobile Liability
- Crime and Excess Crime

Note 16: **JOINT INSURANCE POOL (CONT'D)**

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000 to \$200,000 based on the line of coverage for each insured event.

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

Atlantic County Municipal Joint Insurance Fund
P.O. Box 488
Marlton, New Jersey 08053

Note 17: **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 WATERFORD
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2011

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2010	\$ 3,260,353.36	\$ 65,638.05
Increased by Receipts:		
Received from Collector	\$ 24,371,510.40	
Revenue Accounts Receivable	554,771.95	
Due from State of New Jersey, Ch. 20, P.L. 1971	132,148.12	
Miscellaneous Revenue not Anticipated	86,432.15	
Energy Receipts Tax	107,403.00	
Consolidated Municipal Property Tax Relief Aid	1,009,538.00	
Garden State Preservation Trust Fund	187,735.00	
Cable TV Franchise Fees	125,366.06	
Reserve for Payment of Debt	30,000.00	
2011 Appropriation Refunds	144,397.90	
Construction Code--State Training Fees	7,708.00	
Sale of Municipal Assets	28,260.00	
Due Current Fund		\$ 104,786.00
Due Trust Other Fund -- Collector	989.94	
Due Trust Other Fund -- Chief Financial Officer	3,244.59	
Due Animal Control Fund	6.43	
Due General Capital Fund	37,523.77	
Federal and State Grants Receivable		140,290.15
Contra	3,413.00	
	<u>26,830,448.31</u>	<u>245,076.15</u>
	30,090,801.67	310,714.20
Decreased by Disbursements:		
2011 Appropriations	8,764,560.71	
2010 Appropriation Reserves	59,324.78	
County Taxes Payable	6,043,108.42	
Due County for Added and Omitted Taxes	12,090.83	
Local School Taxes Payable	12,081,680.70	
Tax Overpayments	8,783.52	
Construction Code--State Training Fees	8,691.00	
Due Federal and State Grant Fund	104,786.00	
Due Trust Other Fund -- Treasurer	4,165.93	
Reserve for Land Sale Deposits	17,100.00	
Reserve for Revision of Master Plan	581.25	
Refund of Prior Year Revenue	1,427.01	
Federal and State Grants--Appropriated		233,714.65
Reserve for Encumbrances	2,476.25	4,208.30
Accounts Payable	20.00	
Contra	3,413.00	
	<u>27,112,209.40</u>	<u>237,922.95</u>
Balance Dec. 31, 2011	<u>\$ 2,978,592.27</u>	<u>\$ 72,791.25</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5--Collector
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$	104,366.75
Increased by Receipts:			
Taxes Receivable	\$ 24,123,266.64		
Tax Title Liens	1,593.76		
Interest and Cost on Taxes	99,131.00		
2012 Prepaid Taxes	148,960.94		
Tax Overpayments	20,767.93		
Revenue Accounts Receivable	2,626.86		
Contra	4,775.00		
Due Bank	82,815.71		
Due CCMUA	54,303.79		
Due Winslow Township	991.61		
Miscellaneous Revenue not Anticipated	<u>16,120.97</u>		
			<u>24,555,354.21</u>
			24,659,720.96
Decreased by Disbursements:			
Payments to Chief Financial Officer	24,371,510.40		
Due CCMUA	54,303.79		
Due Winslow Township	991.61		
Due Bank	82,815.43		
Contra	<u>4,775.00</u>		
			<u>24,514,396.23</u>
Balance Dec. 31, 2011		\$	<u><u>145,324.73</u></u>

TOWNSHIP OF WATERFORD
 CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2011

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 100.00
Municipal Clerk	50.00
Police Department	20.00
Municipal Court	<u>200.00</u>
	<u><u>\$ 370.00</u></u>

CURRENT FUND
 Statement of Due from State of New Jersey
 CH. 20, P.L. 1971
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 8,476.29
Increased by:		
2011 Senior Citizens' and Veterans' Deductions per Tax Billing	\$ 132,250.00	
2011 Senior Citizens' and Veterans' Deductions Allowed by Collector	<u>1,750.00</u>	
		\$ 134,000.00
Less:		
2011 Senior Citizens' and Veterans' Deductions Disallowed by Collector		2,118.76
Operations -- Prior Years Senior Citizens' and Veterans' Deductions Disallowed by Collector		<u>2,288.20</u>
		<u>129,593.04</u>
		138,069.33
Decreased by:		
Collections		<u>132,148.12</u>
Balance Dec. 31, 2011		<u><u>\$ 5,921.21</u></u>

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2011

Year	Balance Dec. 31, 2010	2011 Levy	Added Taxes	Collections		Due from State of New Jersey	Canceled	Overpayments Applied	Transferred to Tax Title Liens	Balance Dec. 31, 2011
				2011	2010					
2009	\$ 9,395.30			\$ 7,152.25		\$			\$	2,243.05
2010	584,042.91		2,288.20	571,861.12			110.34	0.01	12,194.15	2,165.49
	593,438.21	-	2,288.20	579,013.37	-		110.34	0.01	12,194.15	4,408.54
2011	-	\$ 24,571,819.73	4,828.81	23,544,253.27	\$ 148,176.94	\$ 131,881.24	55,456.90	11,980.61	41,006.55	643,893.03
	\$ 593,438.21	\$ 24,571,819.73	\$ 7,117.01	\$ 24,123,266.64	\$ 148,176.94	\$ 131,881.24	\$ 55,567.24	\$ 11,980.62	\$ 53,200.70	\$ 648,301.57

Analysis of 2011 Property Tax Levy

<u>Tax Yield</u>	
General Purpose Tax	\$ 24,524,715.42
Added / Omitted Taxes	<u>47,104.31</u>
	<u>\$ 24,571,819.73</u>

<u>Tax Levy</u>	
Local District School Tax	\$ 12,080,292.00
County Taxes:	
County Tax	\$ 5,862,667.70
Open Space Tax	180,440.72
County for Added and Omitted Taxes	<u>11,554.85</u>

Total County Taxes	6,054,663.27
Local Tax for Municipal Purposes	6,096,391.38
Minimum Tax for Library Purposes	301,536.00
Add: Additional Tax Levied	<u>38,937.08</u>

Local Tax for Municipal Purposes Levied	<u>6,436,864.46</u>
	<u>\$ 24,571,819.73</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Tax Title Liens Receivable and Property Maintenance Liens Receivable
For the Year Ended December 31, 2011

	Tax <u>Title Liens</u>	Property Maintenance <u>Liens</u>	<u>Total</u>
Balance Dec. 31, 2010	\$ 407,974.45	\$ 79,821.98	\$ 487,796.43
Increased by:			
Transfers from Taxes Receivable	53,200.70		53,200.70
Interest and Costs on Taxes	<u>2,251.62</u>		<u>2,251.62</u>
	<u>55,452.32</u>	-	<u>55,452.32</u>
	463,426.77	79,821.98	543,248.75
Decreased by:			
Receipts -- Collector	<u>1,593.76</u>		<u>1,593.76</u>
Balance Dec. 31, 2011	<u>\$ 461,833.01</u>	<u>\$ 79,821.98</u>	<u>\$ 541,654.99</u>

TOWNSHIP OF WATERFORD
CURRENT FUND

Statement of Revenue Account Receivable
For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Accrued in 2011	Chief Financial Officer	Tax Collector	Due from General Capital Fund	Due from Animal Control Fund	Due from Trust Other Fund	Balance Dec. 31, 2011
Clerk:								
Licenses:								
Alcoholic Beverages		\$ 9,550.00	\$ 9,550.00					
Other		9,334.00	9,334.00					
Fees and Permits -- Other:								
Clerk	\$ 559.45	21,931.00	17,432.89				\$ 5,057.56	
Planning Board		1,675.78	1,675.78					
Zoning Board		2,540.00	2,540.00					
Police Department		6,274.89	6,274.89					
Property Maintenance		4,350.00	4,350.00					
Tax Search Officer		520.00	\$ 520.00					
Uniform Construction Code Fees		134,551.00	134,551.00					
Summer Camp Fees		108,016.50	108,016.50					
Municipal Court Fines and Costs	16,228.04	230,355.85	229,105.27					17,478.62
Interest on Investments:								
Current Fund		33,431.08	31,324.22	2,106.86				
General Capital Fund		7,523.77		\$ 7,523.77				
Animal Control Fund		6.43			6.43			
Trust Other Fund		2,906.42				2,906.42		
Township Clerk		29.99	29.99					
Municipal Court		587.41	587.41					
	\$ 16,787.49	\$ 573,584.12	\$ 554,771.95	\$ 2,626.86	\$ 7,523.77	\$ 6.43	\$ 2,906.42	\$ 22,536.18

TOWNSHIP OF WATERFORD
CURRENT FUND
 2010 Appropriation Reserves
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
GENERAL GOVERNMENT FUNCTIONS					
General Administration					
Salaries and Wages		\$ 31.15	\$ 31.15		\$ 31.15
Other Expenses	\$ 525.00	44.19	569.19		569.19
Postage		1,396.66	1,396.66		1,396.66
Office Supplies and Equipment Maintenance	312.27	5,968.20	6,280.47	\$ 312.27	5,968.20
Township Committee					
Salaries and Wages		4.30	4.30		4.30
Other Expenses		230.36	230.36		230.36
Municipal Clerk					
Salaries and Wages		78.33	78.33		78.33
Other Expenses	60.00	1,278.59	1,338.59	60.00	1,278.59
Elections					
Salaries and Wages		118.68	118.68		118.68
Other Expenses		1,062.53	1,062.53		1,062.53
Financial Administration					
Salaries and Wages		112.13	112.13		112.13
Other Expenses	445.88	1,070.41	1,516.29	445.88	1,070.41
Collection of Taxes					
Salaries and Wages		98.85	98.85		98.85
Other Expenses		505.95	505.95		505.95
Assessment of Taxes					
Salaries and Wages		71.59	71.59		71.59
Other Expenses	1,260.00	1,461.42	2,721.42	1,282.50	1,438.92
Legal Services and Costs					
Other Expenses	406.25	10,296.46	10,702.71	406.25	10,296.46
Engineering Services and Costs					
Other Expenses	4,209.00	961.01	5,170.01	4,846.50	323.51
Municipal Court					
Salaries and Wages	195.00		195.00	195.00	
Other Expenses	459.09	2,065.13	2,524.22	409.10	2,115.12
Land Use Administration					
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning & Zoning Boards					
Salaries and Wages		327.52	327.52		327.52
Other Expenses	67.25	994.60	1,061.85	67.25	994.60
Public Defender					
Other Expenses		329.97	329.97		329.97
Economic Development Committee					
Other Expenses	8,000.00	150.00	8,150.00	8,000.00	150.00
INSURANCE					
Unemployment Compensation Insurance		123.25	123.25		123.25
Workers Compensation Insurance		50.00	50.00		50.00
Group Insurance for Employees	867.60	6,464.96	7,332.56	867.60	6,464.96
PUBLIC SAFETY FUNCTIONS					
Police					
Salaries and Wages		20,452.77	20,452.77		20,452.77
Other Expenses	6,131.98	21,439.41	27,571.39	6,100.98	21,470.41
Leases -- Police Vehicles		149.58	149.58		149.58
Aid to Volunteer Ambulance Association					
Other Expenses	760.61	9,528.81	10,289.42	1,139.06	9,150.36
Fire					
Other Expenses	3,428.76	25,249.06	28,677.82	3,908.67	24,769.15
Emergency Responders Stipend Program	20.00	64.80	84.80	20.00	64.80
Municipal Prosecutor					
Other Expenses		1.00	1.00		1.00

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 2010 Appropriation Reserves
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
PUBLIC WORKS FUNCTIONS					
Office of Emergency Management					
Other Expenses		\$ 700.00	\$ 700.00		\$ 700.00
Road Repairs and Maintenance					
Salaries and Wages		255.31	255.31		255.31
Other Expenses	\$ 1,574.85	950.65	2,525.50	\$ 1,574.85	950.65
Snow Removal					
Salaries and Wages		1,070.96	1,070.96		1,070.96
Other Expenses	6,256.52	6,525.19	12,781.71	6,894.00	5,887.71
Garbage and Trash Removal					
Contractual		8,700.93	8,700.93		8,700.93
Recycling					
Collection - Contractual		3,033.33	3,033.33		3,033.33
Public Buildings and Grounds					
Salaries and Wages		1,508.76	1,508.76		1,508.76
Other Expenses	10,692.82	1,845.31	12,538.13	10,767.55	1,770.58
Municipal Garage					
Salaries and Wages		80.66	80.66		80.66
Other Expenses	1,641.67	8,951.45	10,593.12	1,516.85	9,076.27
HEALTH AND HUMAN SERVICES					
Board of Health					
Salaries and Wages		2,000.00	2,000.00		2,000.00
Environmental Commission					
Salaries and Wages		4.18	4.18		4.18
Other Expenses	928.50		928.50	928.50	
Dog Regulation					
Other Expenses	1,440.00	434.18	1,874.18	1,440.00	434.18
PARK AND RECREATION FUNCTIONS					
Parks and Playgrounds					
Salaries and Wages		8,720.53	8,720.53		8,720.53
Other Expenses	650.00	5,992.87	6,642.87	650.00	5,992.87
Celebration of Public Event, Anniversary or Holiday					
Other Expenses		1,288.29	1,288.29		1,288.29
Safety Projects	4,191.43	16.09	4,207.52	4,128.36	79.16
<u>State Uniform Construction Code Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>					
Construction Official					
Salaries and Wages		1,315.97	1,315.97		1,315.97
Other Expenses		2,309.09	2,309.09		2,309.09
<u>Unclassified</u>					
Utilities:					
Electricity	46.12	14.19	60.31	46.12	14.19
Street Lighting	79.38	861.43	940.81	79.38	861.43
Telephone and Telegraph		1,415.21	1,415.21		1,415.21
Water		93.87	93.87		93.87
Natural Gas	4,107.47	4,044.35	8,151.82	2,948.06	5,203.76
Sewerage Processing and Disposal		337.11	337.11		337.11
Gasoline		10,319.93	10,319.93		10,319.93
Solid Waste Disposal Fees					
Other Expenses		7,702.27	7,702.27		7,702.27
DEFERRED CHARGES					
AND STATUTORY EXPENDITURES					
Statutory Expenditures:					
Social Security System (O.A.S.I.)		4,618.82	4,618.82	290.05	4,328.77
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Maintenance of Free Public Library					
Contribution		0.33	0.33		0.33
Solid Waste Disposal Fees					
Recycling Tax		1,921.47	1,921.47		1,921.47
Matching Funds for Grants		2,000.00	2,000.00		2,000.00
	<u>\$ 58,757.45</u>	<u>\$ 201,214.40</u>	<u>\$ 259,971.85</u>	<u>\$ 59,324.78</u>	<u>\$ 200,647.07</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Accounts Payable
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$	919.00
Decreased by:			
Disbursements	\$	20.00	
Cancellations		<u>899.00</u>	
			<u><u>\$ 919.00</u></u>

Exhibit SA-10

CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010 (2011 Taxes)		\$	148,176.94
Increased by:			
Receipts -- Collector -- 2012 Taxes			<u>148,960.94</u>
			297,137.88
Decreased by:			
Application to 2011 Taxes Receivable			<u>148,176.94</u>
Balance Dec. 31, 2011 (2012 Taxes)		<u>\$</u>	<u><u>148,960.94</u></u>

Exhibit SA-11

CURRENT FUND
 Statement of Reserve for Preparation of Tax Map
 For the Year Ended December 31, 2011

Increased by:			
Chages to 2011 Budget		\$	195,000.00
Decreased by:			
Contract Awarded - Civil Solutions			<u><u>\$ 195,000.00</u></u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 0.01
Increased by:		
Receipts -- Collector		<u>20,767.93</u>
		20,767.94
Decreased by:		
Refunds - Chief Financial Officer	\$ 8,783.52	
Applied to Taxes Receivable	<u>11,980.62</u>	
		<u>20,764.14</u>
Balance Dec. 31, 2011		<u><u>\$ 3.80</u></u>

Exhibit SA-13

CURRENT FUND
Statement of Due to State of New Jersey
Uniform Construction Code--State Training Fees
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 2,444.00
Increased by:		
Collections		<u>7,708.00</u>
		10,152.00
Decreased by:		
Payments		<u>8,691.00</u>
Balance Dec. 31, 2011		<u><u>\$ 1,461.00</u></u>

Exhibit SA-14

CURRENT FUND
Statement of Reserve for Revision of Master Plan
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 581.25
Decreased by:		
Disbursements		<u>\$ 581.25</u>

Exhibit SA-15

CURRENT FUND
Statement of Reserve for Sale of Municipal Assets
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 8,900.00
Increased by:		
Collections		<u>28,260.00</u>
Balance Dec. 31, 2011		<u><u>\$ 37,160.00</u></u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2011

Balance Dec. 31, 2010	\$	12,090.83
Increased by:		
County Share of Added / Omitted Taxes		11,554.85
		23,645.68
Decreased by:		
Payments		12,090.83
Balance Dec. 31, 2011	\$	11,554.85

CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2011

Balance Dec. 31, 2010:		
School Tax Payable	\$	1,841,511.95
School Tax Deferred		4,200,000.00
	\$	6,041,511.95
Increased by:		
Levy--School Year July 1, 2011 to June 30, 2012		12,080,292.00
		18,121,803.95
Decreased by:		
Payments		12,081,680.70
Balance Dec. 31, 2011:		
School Tax Payable		1,840,123.25
School Tax Deferred		4,200,000.00
	\$	6,040,123.25
2011 Liability for Local District School Tax:		
Tax Paid	\$	12,081,680.70
Tax Payable Dec. 31, 2011		1,840,123.25
		13,921,803.95
Less: Tax Payable Dec. 31, 2010		1,841,511.95
Amount Charged to 2011 Operations	\$	12,080,292.00

TOWNSHIP OF WATERFORD
CURRENT FUND

Statement of Deferred Charges
 N.J.S.40A:4-55 -- Special Emergency -- Master Plan and Tax Map
 For the Year Ended December 31, 2011

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2010</u>	<u>Added in 2011</u>	<u>Reduced in 2011</u>	<u>Balance Dec. 31, 2011</u>
11-11-09	Preparation of Master Plan	\$ 25,225.00	\$ 5,045.00	\$ 20,180.00		\$ 5,045.00	\$ 15,135.00
12-14-11	Preparation of Tax Map	195,000.00	39,000.00		\$ 195,000.00		195,000.00
				<u>\$ 20,180.00</u>	<u>\$ 195,000.00</u>	<u>\$ 5,045.00</u>	<u>\$ 210,135.00</u>

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve For Federal and State Grants--Receivable
For the Year Ended December 31, 2011

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
State:				
Clean Communities Grant		\$ 20,778.35	\$ 20,778.35	
Alcohol Education and Rehabilitation		3,290.02	3,290.02	
Drunk Driving Enforcement Grant		6,841.68	6,841.68	
Safe and Secure Communities Program	\$ 59,037.00	56,177.00	60,000.00	\$ 55,214.00
Recycling Tonnage Grant		28,805.54	28,805.54	
Body Armor Replacement Grant		2,374.56	2,374.56	
Total State Grants	59,037.00	118,267.15	122,090.15	55,214.00
Local:				
Comcast Technology Grant	-	18,200.00	18,200.00	-
Total All Grants	\$ 59,037.00	\$ 136,467.15	\$ 140,290.15	\$ 55,214.00

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve For State Grants--Unappropriated
For the Year Ended December 31, 2011

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Grants</u> <u>Receivable</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2011 Budget</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
State:				
Clean Communities Grant		\$ 20,778.35	\$ 20,778.35	
Alcohol Education and Rehabilitation Fund		3,290.02	3,290.02	
Drunk Driving Enforcement Grant		6,841.68	6,841.68	
Safe and Secure Communities Program		56,177.00	56,177.00	
Recycling Tonnage Grant		28,805.54	28,805.54	
Body Armor Replacement Fund		2,374.56		\$ 2,374.56
Total State Grants	-	118,267.15	115,892.59	2,374.56
Local:				
Comcast Technology Grant		18,200.00	18,200.00	-
Total All Grants	-	\$ 136,467.15	\$ 134,092.59	\$ 2,374.56

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants--Appropriated
For the Year Ended December 31, 2011

<u>Program</u>	<u>Balance Dec. 31, 2010</u>	<u>Transferred from 2011 Budget Appropriation</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
Federal Grants:				
Storm Water Regulation	\$ 7,940.57	-	-	\$ 7,940.57
State Grants:				
Clean Communities Grant	17,394.74	\$ 20,778.35	\$ 16,199.65	21,973.44
Drunk Driving Enforcement Grant	17,855.71	6,841.68	6,814.94	17,882.45
Alcohol Education and Rehabilitation	12,326.80	3,290.02	1,570.00	14,046.82
Recycling Tonnage Grant	33,705.97	28,805.54	42,430.65	20,080.86
Safe and Secure Communities Program		160,963.00	160,963.00	
Tree Planting Grant	5,163.75			5,163.75
Body Armor Replacement	3,320.66		2,340.00	980.66
Total State Grants	89,767.63	220,678.59	230,318.24	80,127.98
Local Grants:				
County Recycling Rebate Grant	22,736.05		2,576.41	20,159.64
Comcast Technology Grant		18,200.00	840.00	17,360.00
Total Local Grants	22,736.05	18,200.00	3,416.41	37,519.64
Total All Grants	\$ 120,444.25	\$ 238,878.59	\$ 233,734.65	\$ 125,588.19
Disbursed			\$ 233,714.65	
Reserve for Encumbrances			20.00	
			<u>\$ 233,734.65</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF WATERFORD
TRUST FUNDS
Statement of Trust Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2011

	<u>Animal Control</u> <u>Trust Fund</u>	<u>Other Funds</u>
Balance Dec. 31, 2010	\$ 224.00	\$ 123,847.37
Increased by Receipts:		
Reserve for Dog Fund Expenditures	\$ 2,028.00	
Due Current Fund	6.43	\$ 2,082.41
Due County of Camden -- Municipal Alliance		7,417.42
Due County of Camden -- CDBG		119,484.11
Reserve for Parking Offenses Adjudication Act		40.00
Reserve for Celebration of Public Events		26.99
Reserve for Payroll Deductions Payable		1,586,943.63
Reserve for Net Payroll		2,388,425.46
Reserve for Recreation Contributions		2,500.00
Reserve for Maintenance Guarantees		42,573.00
Reserve for Developers' Escrow Deposits		24,801.47
Reserve for Police Outside Services		26,925.00
Reserve for Public Defender		9,196.00
Reserve for Municipal Alliance		1,053.36
Reserve for Forfeited Property		2,058.94
	2,034.43	4,213,527.79
	2,258.43	4,337,375.16
Decreased by Disbursements:		
Due Current Fund	6.43	3,244.59
Expenditures Under R.S.4:19-15.11	1,609.00	
Reserve for Payroll Deductions Payable		1,579,215.59
Reserve for Net Payroll		2,388,425.46
Reserve for Recreation Contributions		5,023.00
Reserve for Recycling		1,188.59
Reserve for Developers' Escrow Deposits		35,863.60
Reserve for Community Development Block Grant		63,687.11
Reserve for Police Outside Services		21,665.00
Reserve for Public Defender		5,099.96
Reserve for Municipal Alliance		13,939.71
	1,615.43	4,117,352.61
Balance Dec. 31, 2011	\$ 643.00	\$ 220,022.55

TOWNSHIP OF WATERFORD
TRUST FUNDS
 Statement of Trust Cash
 Per N.J.S.40A:5-5--Collector
 For the Year Ended December 31, 2011

		<u>Other Funds</u>
Balance Dec. 31, 2010		\$ 72,903.88
Increased by Receipts:		
Due Current Fund	\$ 989.94	
Contra	154,745.59	
Reserve for Tax Title Lien Redemptions	451,856.81	
Reserve for Premiums Received at Tax Sale	<u>88,000.00</u>	
		<u>695,592.34</u>
		768,496.22
Decreased by Disbursements:		
Due Current Fund	989.94	
Contra	154,745.59	
Reserve for Tax Title Lien Redemptions	451,310.58	
Reserve for Premiums Received at Tax Sale	<u>56,300.00</u>	
		<u>663,346.11</u>
Balance Dec. 31, 2011		<u><u>\$ 105,150.11</u></u>

ANIMAL CONTROL TRUST FUND
 Statement of Reserve For Dog Fund Expenditures
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 231.00
Increased by:		
Receipts:		
Dog Fees Collected		<u>2,028.00</u>
		2,259.00
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Disbursements	\$ 1,609.00	
Reserve for Encumbrances	<u>53.00</u>	
		<u>1,662.00</u>
Balance Dec. 31, 2011		<u><u>\$ 597.00</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 2,032.00
2010	<u>2,006.00</u>
	<u><u>\$ 4,038.00</u></u>

TOWNSHIP OF WATERFORD
 TRUST OTHER FUNDS
 Schedule of Due From Camden County
 Community Development Block Grant Program
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 160,188.21
Increased by:		
Entitlement -- Year 33		34,600.00
		194,788.21
Decreased by:		
Receipts		119,484.11
		75,304.10
Balance Dec. 31, 2011		\$ 75,304.10

Analysis of Balance Dec. 31, 2011

		<u>Amount</u>
Year 31	\$	450.10
Year 32		40,254.00
Year 33		34,600.00
		75,304.10
		\$ 75,304.10

TRUST OTHER FUNDS
 Statement of Due To Current Fund
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 1,197.22
Increased by:		
Chief Financial Officer Receipts:		
Interest Earned -- Current Budget Revenue	\$ 1,916.48	
Reserve for Public Defender	4,000.00	
Interfund Loans Advanced	165.93	
Collector Receipts:		
Interest Earned -- Current Budget Revenue	989.94	
		7,072.35
Decreased by:		8,269.57
Disbursements:		
Interfund Loans Returned -- Chief Financial Officer	3,244.59	
Interfund Loans Returned -- Collector	989.94	
		4,234.53
Balance Dec. 31, 2011		\$ 4,035.04

TOWNSHIP OF WATERFORD
TRUST -- OTHER FUND
 Statement of Trust Other Reserves
 For the Year Ended December 31, 2011

Reserve	Balance Dec. 31, 2010	Increased			Decreased			Balance Dec. 31, 2011
		Receipts	Entitlements	Contracts Payable and Encumbrance Adjustments	Disbursements	Receivable Canceled	Due from Current Fund	
Reserve for Recreation Contributions	\$ 21,405.88	\$ 2,500.00			\$ 5,023.00			\$ 18,882.88
Reserve for Parking Offenses Adjudication Act	202.00	40.00						242.00
Reserve for Celebration of Public Events	2,782.56	26.99						2,809.55
Reserve for Payroll Deductions Payable	25,601.10	1,586,943.63			1,579,215.59			33,329.14
Reserve for Net Payroll	48,987.67	2,388,425.46			2,388,425.46			
Reserve for Developers' Escrow Deposits	14,203.88	24,801.47	\$ 6,993.73		35,863.60		\$ 7,710.72	37,208.55
Reserve for Tax Title Lien Redemptions	58,700.00	451,856.81			451,310.58			14,750.11
Reserve for Premiums Received at Tax Sale	1,188.59	88,000.00			56,300.00			90,400.00
Reserve for Recycling Funds	54,936.17		\$ 34,600.00		1,188.59			
Reserve for Community Development Block Grant	20,000.00				63,687.11		2,185.00	78,307.92
Reserve for Retention Basin Maintenance	6,630.00							20,000.00
Reserve for Police Outside Services	10,185.01	26,925.00			21,665.00			11,890.00
Reserve for Public Defender	4,270.40	9,196.00			5,099.96	\$ 4,000.00	140.00	10,141.05
Reserve for Maintenance Guarantees	13,044.61	42,573.00						46,843.40
Reserve for Municipal Alliance	18,727.32	1,053.36	13,176.00		13,939.71	\$ 15,887.61		4,936.60
Reserve for Forfeited Property	50.00	2,058.94						20,786.26
Reserve for Uniform Fire Safety Act	2,422.53							50.00
Reserve for Historic Commission	14,483.68							2,422.53
Reserve for Encumbrances	54,643.86			(14,483.68)			(10,035.72)	10,035.72
Contracts Payable				(54,643.86)				
	<u>\$ 372,465.26</u>	<u>\$ 4,624,400.66</u>	<u>\$ 47,776.00</u>	<u>\$ -</u>	<u>\$ 4,621,718.60</u>	<u>\$ 15,887.61</u>	<u>\$ 4,000.00</u>	<u>\$ 403,035.71</u>

Chief Financial Officer
 Collector

\$ 4,084,543.85	\$ 4,114,108.02
<u>539,856.81</u>	<u>507,610.58</u>
<u>\$ 4,624,400.66</u>	<u>\$ 4,621,718.60</u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 1,104,058.59
Increased by Receipts:		
Due Current Fund	\$ 7,523.77	
Capital Improvement Fund	10,000.00	
Down Payment on Improvements	10,000.00	
Reserve for Construction of Emergency Service Building	<u>5,000.00</u>	
		<u>32,523.77</u>
		1,136,582.36
Decreased by Disbursements:		
Improvement Authorizations	606,443.70	
Reserve for Encumbrances	8,573.72	
Contracts Payable	317,829.82	
Due Current Fund	<u>67,523.77</u>	
		<u>1,000,371.01</u>
Balance Dec. 31, 2011		<u><u>\$ 136,211.35</u></u>

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2011

	Balance (Deficit) <u>Dec. 31, 2010</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2011</u>
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Reserve for Payment of Debt	\$ 65,170.75							
Reserve for Construction of Emergency Service Building			\$ 5,000.00			\$ 30,000.00	\$ 170,360.00	\$ 205,530.75
Down Payment on Improvements		\$ 10,000.00				5,000.00		
Capital Improvement Fund	25,450.00	10,000.00				10,000.00		1,950.00
Improvement Authorizations:								
04-22 Reconstruction of Maple Avenue Phase II	21,279.55					21,279.55		
05-12.2 Acquisition of Public Works Equipment	21,924.33			\$ 21,924.33				
05-12.3 Construction of Public Works Building	12,324.42			142.50				12,181.92
05-17 Installation of Lighting at Burnt Mill Complex	17,109.37						392.00	17,501.37
07-13.1 Reconstruction of Martha Blvd.	69,898.22					69,898.22		
07-13.3 Purchase of Police Vehicles and Equipment	1,759.83			1,759.83				
07-13.5 Improvement of Public Buildings								
08-3 Purchase of Two Fire Trucks	18,590.92					60.00		60.00
08-9.1 Purchase of Police Vehicles and Equipment	22,505.45			22,505.45				
08-9.3 Cooper Road Sidewalk and Drainage	42,164.45					42,164.45		
09-14.1 Purchase of Public Works Equipment	168,128.55			80,072.32		88,306.23		(250.00)
09-14.2 Road Overlay Program	143,824.47					26,416.73		117,407.74
09-14.3 Drainage and Stormwater Management	96,216.32			75,118.79		2,682.46		18,415.07
09-14.4 Municipal Building Improvements	(81.00)					1,032.86		(81.00)
09-14.5 Emergency Medical Service Vehicles	19,904.56			1,537.70		18,366.86		
11-4.1 Purchase of Public Works Equipment						67,414.77		
11-4.2 Purchase of Police Vehicles and Equipment				109,588.14		3,630.00		(63,914.77)
11-4.3 Road Overlay, Drainage and Stormwater Projects							6,000.00	(107,218.14)
11-4.4 Municipal Building Renovations				166,891.14			7,000.00	7,000.00
11-4.5 Purchase of Office Equipment				61,778.02		114,136.07		(264,527.21)
11-4.6 Purchase of Fire Department Equipment				58,175.48		6,651.89		(63,179.91)
11-11 WHP Corridor Redevelopment Project				6,950.00		46,824.52		(99,750.00)
11-20 Construction of Emergency Services Facility						20,000.00		23,050.00
Due Current Fund	30,000.00		7,523.77			99,999.99		(94,999.99)
Reserve for Encumbrances	8,573.72						30,000.00	
Due EDA Loan							74,751.49	74,751.49
Contracts Payable	319,314.68					50,000.00		(50,000.00)
				317,829.82		1,484.86		402,344.03
	\$ 1,104,058.59	\$ 20,000.00	\$ 12,523.77	\$ 606,443.70	\$ 393,927.31	\$ 777,440.38	\$ 777,440.38	\$ 136,211.35

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 6,265,156.68
Increased by:		
Economic Development Authority Loan		50,000.00
		6,315,156.68
Decreased by:		
2011 Budget Appropriation:		
Serial Bonds	\$ 425,000.00	
Green Acres Loan	35,780.17	
		460,780.17
Balance Dec. 31, 2011		\$ 5,854,376.51

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation--Unfunded
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of Ordinance	2010		Canceled	2011 Authorizations	Loans Issued	Balance Dec. 31, 2011	Analysis of Balance Dec. 31, 2011	
			Balance Dec. 31, 2010	Authorizations					Expenditures	Unexpended Improvement Authorizations
08-9.3	Cooper Road Sidewalk and Drainage	8-27-08	\$ 0.19		\$			\$ 250.00	\$ 250.00	
09-14.1	Purchase of Public Works Equipment	12-16-09	250.00					500.00		500.00
09-14.2	Road Overlay Program	12-16-09	500.00					81.00	81.00	
09-14.4	Municipal Building Improvements	12-16-09	81.00						63,914.77	2,585.23
11-4.1	Purchase of Public Works Equipment	6-22-11		\$ 66,500.00				66,500.00	107,218.14	6,781.86
11-4.2	Purchase of Police Vehicles and Equipment	6-22-11		114,000.00				114,000.00		133,000.00
11-4.3	Road Overlay, Drainage and Stormwater Projects	6-22-11		133,000.00				133,000.00		133,000.00
11-4.4	Municipal Building Renovations	6-22-11		313,500.00				313,500.00	264,527.21	48,972.79
11-4.5	Purchase of Office Equipment	6-22-11		99,750.00				99,750.00	63,179.91	36,570.09
11-4.6	Purchase of Fire Department Equipment	6-22-11		99,750.00				99,750.00	99,750.00	
11-11	WHP Corridor Redevelopment Project	8-24-11		50,000.00			\$ 50,000.00			
11-20	Construction of Emergency Services Facility	11-21-11		95,000.00				95,000.00	94,999.99	0.01
			\$ 831.19	\$ 971,500.00	\$	\$ 971,500.00	\$ 50,000.00	\$ 922,331.00	\$ 693,921.02	\$ 228,409.98

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 319,314.68
Increased by:		
Contracts Awarded and Charged to Improvement Authorizations		402,344.03
		721,658.71
Decreased by:		
Disbursements	\$ 317,829.82	
Canceled	1,484.86	
Disbursements		319,314.68
Balance Dec. 31, 2011		\$ 402,344.03

Schedule of Contracts Payable Dec. 31, 2011

<u>Vendor:</u>	<u>Ordinance Number</u>	<u>Amount</u>
Ransome International	09-14.1	\$ 88,306.23
Mathis Construction Company	09-14.3	1,380.46
The Gibson Targuini Group	09-14.4	1,032.86
Ransome International	11-4.1	67,414.77
The Gibson Targuini Group	11-4.4	1,166.22
Pantarelli Homes, Inc.	11-4.4	23,607.80
MJJ Construction	11-4.4	65,148.00
Pilgrim Construction Corp	11-4.4	3,089.69
Winner Ford of Cherry Hill	11-4.6	35,598.00
BBP & Associates, LLC	11-20	20,000.00
The Gibson Targuini Group	11-20	95,600.00
		\$ 402,344.03

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Due To Current Fund
For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 30,000.00
Increased by:		
Receipts:		
Interest Earned on Deposits	\$ 7,523.77	
Anticipated as Current Fund Budget Revenue	30,000.00	
		37,523.77
		67,523.77
Decreased by:		
Disbursements -- Interfund Loans Returned		\$ 67,523.77

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2010		Down Payment	2011 Authorizations		Improvement Authorizations Canceled	Contracts Payable Canceled	Balance Dec. 31, 2011	
				Funded	Unfunded		Deferred Charges Unfunded	Paid or Charged			Funded	Unfunded
04-22	Reconstruction of Maple Avenue Phase II	11-22-04	\$ 200,000.00	\$ 21,279.55				\$ 21,279.55				
05-12.2	Acquisition of Public Works Equipment	7-13-05	150,000.00	21,924.33				21,924.33				
05-12.3	Construction of Public Works Building	7-13-05	200,000.00	12,324.42				142.50			\$ 12,181.92	
05-17	Installation of Lighting at Burnt Mill Complex	9-28-05	100,000.00	17,109.37						\$ 392.00	17,501.37	
07-13.1	Reconstruction of Martha Blvd.	7-11-07	320,000.00	69,898.22				69,898.22				
07-13.3	Purchase of Police Vehicles and Equipment	7-11-07	84,500.00	1,759.83				1,759.83				
07-13.5	Improvement of Public Buildings	7-11-07	135,000.00					60.00				
08-3	Purchase of Two Fire Trucks	5-14-08	200,000.00	18,590.92				18,590.92				
08-9.1	Purchase of Police Vehicles and Equipment	8-27-08	130,000.00	22,505.45				22,505.45				
08-9.3	Cooper Road Sidewalk and Drainage	8-27-08	85,000.00	42,164.45	\$ 0.19							
09-14.1	Purchase of Public Works Equipment	12-16-09	175,000.00	168,128.55	250.00			168,378.55				
09-14.2	Road Overlay Program	12-16-09	150,000.00	143,824.47	500.00			26,416.73				
09-14.3	Drainage and Stormwater Management	12-16-09	100,000.00	96,216.32				77,801.25				
09-14.4	Municipal Building Improvements	12-16-09	106,000.00					1,032.86		1,032.86		
09-14.5	Emergency Medical Service Vehicles	12-16-09	160,000.00	19,904.56				1,537.70				
11-4.1	Purchase of Public Works Equipment	6-22-11	70,000.00			\$ 3,500.00		\$ 66,500.00				2,585.23
11-4.2	Purchase of Police Vehicles and Equipment	6-22-11	120,000.00			6,000.00		114,000.00				6,781.86
11-4.3	Road Overlay, Drainage and Stormwater Projects	6-22-11	140,000.00			7,000.00		113,218.14			7,000.00	133,000.00
11-4.4	Municipal Building Renovations	6-22-11	330,000.00			16,500.00		313,500.00				48,972.79
11-4.5	Purchase of Office Equipment	6-22-11	105,000.00			5,250.00		99,750.00				36,570.09
11-4.6	Purchase of Fire Department Equipment	6-22-11	105,000.00			5,250.00		105,000.00				
11-11	WHP Corridor Redevelopment Project	8-24-11	50,000.00					26,950.00				
11-20	Construction of Emergency Services Facility	11-21-11	100,000.00			5,000.00		99,999.99			23,050.00	0.01
				<u>\$ 655,630.44</u>	<u>\$ 750.19</u>	<u>\$ 48,500.00</u>	<u>\$ 1,083,539.22</u>	<u>\$ 170,360.19</u>	<u>\$ 1,484.86</u>	<u>\$ 195,556.10</u>	<u>\$ 228,409.98</u>	

Reserve for Encumbrances Disbursed \$ 74,751.49
 Contracts Payable 606,443.70
 402,344.03
\$ 1,083,539.22

Capital Improvement Fund \$ 33,500.00
 Down Payment on Improvements 10,000.00
 Reserve for Construction of Emergency Service Building 5,000.00
\$ 48,500.00

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2011

Balance Dec. 31, 2010	\$ 65,170.75
Increased by:	
Improvement Authorization Cancelations	170,360.00
	235,530.75
Decreased by:	
Due Current Fund -- Realized as Current Fund Budget Revenue	30,000.00
Balance Dec. 31, 2011	\$ 205,530.75

Exhibit SC-9

GENERAL CAPITAL FUND
Statement of Reserve For Encumbrances
For the Year Ended December 31, 2011

Balance Dec. 31, 2010	\$ 8,573.72
Increased by:	
Charges to Improvement Authorizations	74,751.49
	83,325.21
Decreased by:	
Disbursements	8,573.72
Balance Dec. 31, 2011	\$ 74,751.49

Exhibit SC-10

GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2011

Balance Dec. 31, 2010	\$ 25,450.00
Increased by:	
Receipt from Current Fund - Budget Appropriations	10,000.00
	35,450.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	33,500.00
Balance Dec. 31, 2011	\$ 1,950.00

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Green Acres Loan
 For the Year Ended December 31, 2011

Purpose	Date of Issue	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2010	Increased	Paid by Budget Appropriation	Balance Dec. 31, 2011
Burnt Mill Road	12-24-08	\$ 532,509.38	3-24-2012	\$ 18,158.88	2.000%				
			9-24-2012	18,340.47	2.000%				
			3-24-2013	18,523.87	2.000%				
			9-24-2013	18,709.11	2.000%				
			3-24-2014	18,896.20	2.000%				
			9-24-2014	19,085.16	2.000%				
			3-24-2015	19,276.01	2.000%				
			9-24-2015	19,468.77	2.000%				
			3-24-2016	19,663.46	2.000%				
			9-24-2016	19,860.10	2.000%				
			3-24-2017	20,058.70	2.000%				
			9-24-2017	20,259.28	2.000%				
			3-24-2018	20,461.88	2.000%				
			9-24-2018	20,666.50	2.000%				
			3-24-2019	20,873.16	2.000%				
			9-24-2019	21,081.89	2.000%				
			3-24-2020	21,292.71	2.000%				
			9-24-2020	21,505.64	2.000%				
			3-24-2021	21,720.69	2.000%				
			9-24-2021	21,937.90	2.000%				
			3-24-2022	22,157.28	2.000%				
			9-24-2022	22,378.85	2.000%				
						\$ 480,156.68		\$ 35,780.17	\$ 444,376.51
						\$ 480,156.68	-	\$ 35,780.17	\$ 444,376.51

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of Ordinance	Balance		2011 Authorizations	Loans Issued	Authorizations Canceled	Balance Dec. 31, 2011
			Dec. 31, 2010					
General Improvements:								
08-9.3	Cooper Road Sidewalk and Drainage	8-27-08	\$	0.19			\$	0.19
09-14.1	Purchase of Public Works Equipment	12-16-09		250.00			\$	250.00
09-14.2	Road Overlay Program	12-16-09		500.00				500.00
09-14.4	Municipal Building Improvements	12-16-09		81.00				81.00
11-4.1	Purchase of Public Works Equipment	6-22-11			\$	66,500.00		66,500.00
11-4.2	Purchase of Police Vehicles and Equipment	6-22-11				114,000.00		114,000.00
11-4.3	Road Overlay, Drainage and Stormwater Projects	6-22-11				133,000.00		133,000.00
11-4.4	Municipal Building Renovations	6-22-11				313,500.00		313,500.00
11-4.5	Purchase of Office Equipment	6-22-11				99,750.00		99,750.00
11-4.6	Purchase of Fire Department Equipment	6-22-11				50,000.00	\$	50,000.00
11-11	WHP Corridor Redevelopment Project	8-24-11						-
11-20	Construction of Emergency Services Facility	11-21-11						95,000.00
			\$	831.19	\$	971,500.00	\$	922,331.00

SUPPLEMENTAL EXHIBITS
WATER / SEWER UTILITY FUND

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUNDS
 Statement of Sewer Utility Cash
 Per N.J.S.40A:5-5--Chief Financial Officer
 For the Year Ended December 31, 2011

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2010	\$ 172,912.87	\$ 525,727.24
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 2,545.75	
Received from Utility Collector	991,253.20	
Reserve for Escrow Deposits	1,200.00	
Due Water / Sewer Utility Capital Fund	3,996.03	
Due Water / Sewer Utility Operating Fund		\$ 3,996.03
Contra	<u>143.32</u>	
	<u>999,138.30</u>	<u>3,996.03</u>
	1,172,051.17	529,723.27
Decreased by Disbursements:		
2011 Budget Appropriations	940,519.16	
2010 Appropriation Reserves	6,523.74	
Accrued Interest on Bonds and Loans	137,929.35	
Reserve for Escrow Deposits	2,073.79	
Due Water / Sewer Utility Operating Fund		3,996.03
Improvement Authorizations		64,907.82
Contra	<u>143.32</u>	
	<u>1,087,189.36</u>	<u>68,903.85</u>
Balance Dec. 31, 2011	<u><u>\$ 84,861.81</u></u>	<u><u>\$ 460,819.42</u></u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statement of Sewer Utility Cash
 Per N.J.S.40A:5-5--Collector
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$	2,190.54
Receipts:			
Water Rents Receivable	\$ 404,633.06		
Sewer Rents Receivable	536,107.13		
Water Overpayments	503.42		
Sewer Overpayments	2,084.82		
Water Connection Fees	3,350.00		
Sewer Connection Fees	24,350.00		
Water Miscellaneous Revenue	9,987.13		
Sewer Miscellaneous Revenue	10,484.84		
Miscellaneous Revenue Not Anticipated	293.20		
Contra	1,415.98		
			993,209.58
			995,400.12
Decreased by Disbursements:			
Payments to Chief Financial Officer	991,253.20		
Contra	1,415.98		
			992,669.18
Balance Dec. 31, 2011		\$	2,730.94

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2011

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance Dec. 31, 2010	\$ 3,072.32	\$ 30,147.29	\$ 33,219.61
Increased by:			
Rents Levied	407,418.80	542,246.80	949,665.60
	410,491.12	572,394.09	982,885.21
Decreased by:			
Collections	404,633.06	536,107.13	940,740.19
Canceled	392.91	494.23	887.14
Overpayments Applied	2,053.19	3,590.10	5,643.29
Transferred to Township Liens	787.52	787.52	787.52
	407,079.16	540,978.98	948,058.14
Balance Dec. 31, 2011	<u>\$ 3,411.96</u>	<u>\$ 31,415.11</u>	<u>\$ 34,827.07</u>

Exhibit SD-5

WATER & SEWER UTILITY OPERATING FUND
Statement of Water & Sewer Overpayments
For the Year Ended December 31, 2011

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance Dec. 31, 2010	\$ 2,085.78	\$ 3,575.65	\$ 5,661.43
Increased by:			
Receipts	503.42	2,084.82	2,588.24
	2,589.20	5,660.47	8,249.67
Decreased by:			
Canceled	45.49	45.49	45.49
Overpayments Applied	2,053.19	3,590.10	5,643.29
	2,098.68	3,590.10	5,688.78
Balance Dec. 31, 2011	<u>\$ 490.52</u>	<u>\$ 2,070.37</u>	<u>\$ 2,560.89</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2010	2011 Authorizations			Balance Dec. 31, 2011
					Deferred Charges to Future Revenue	Costs to Fixed Capital	Improvement Authorization Canceled	
06-7; 06-11.2	Water Plant Upgrades	8-23-06	\$ 20,000.00	\$ 20,000.00	\$	\$ 20,000.00	\$	100,000.00
06-7; 06-11.3	Sewer System Upgrades	8-23-06	100,000.00	100,000.00				283,887.30
06-7; 06-11.4	Utility Department Equipments	8-23-06	295,000.00	295,000.00			\$ 11,112.70	40,000.00
07-13.2	Sewer System Improvements	7-11-07	40,000.00	40,000.00				25,000.00
07-13.3	Utility Department Equipments	7-11-07	25,000.00	25,000.00				50,000.00
08-9	Sewer System Improvements	8-27-08	50,000.00	50,000.00				85,000.00
09-14	Water System Improvements	12-16-09	85,000.00	85,000.00				
				\$ 615,000.00	-	\$ 20,000.00	\$ 11,112.70	\$ 583,887.30

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2011

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Additions</u> <u>By Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Sewer Utility:			
Land	\$ 37,859.79		\$ 37,859.79
Buildings	50,751.30		50,751.30
Collection System	1,534,588.17		1,534,588.17
Pump Stations	2,235,117.84		2,235,117.84
Sewer Mains	213,575.42		213,575.42
Tractor	6,629.18		6,629.18
Trash Pump	5,280.00		5,280.00
Submersible Pumps	28,095.00		28,095.00
Storage Tank	14,402.00		14,402.00
Vehicles	61,838.35		61,838.35
Jet Truck	8,000.00		8,000.00
Office Equipment	19,523.62		19,523.62
	<u>4,215,660.67</u>	<u>-</u>	<u>4,215,660.67</u>
Water Utility:			
Land	6,681.14		6,681.14
Buildings	8,956.11		8,956.11
Water Mains	4,355,803.75		4,355,803.75
Treatment Plants	1,564,266.79	\$ 20,000.00	1,584,266.79
Water Tank	1,661,878.57		1,661,878.57
Tractor	1,169.86		1,169.86
Vehicles	10,912.65		10,912.65
Office Equipment	47,558.78		47,558.78
	<u>7,657,227.65</u>	<u>20,000.00</u>	<u>7,677,227.65</u>
Total Fixed Capital	<u>\$ 11,872,888.32</u>	<u>\$ 20,000.00</u>	<u>\$ 11,892,888.32</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Bonds and Notes and Analysis of Balance
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010	\$ 60,818.42
Increased by:	
Charges to Budget Appropriations	135,119.88
	195,938.30
Decreased by:	
Interest Paid:	
Utility Operating Fund	137,929.35
Balance Dec. 31, 2011	\$ 58,008.95

Analysis of Accrued Interest Dec. 31, 2011

Principal Outstanding Dec. 31, 2011	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 1,065,000.00	Various	11/1/11	12/31/11	61 Days	\$ 7,854.81
626,000.00	Various	7/15/11	12/31/11	170 Days	10,294.45
					18,149.26
Environmental Infrastructure Loans					
895,957.08	Various	8/1/11	12/31/11	153 Days	19,842.19
445,203.04	Various	8/1/11	12/31/11	153 Days	20,017.50
					39,859.69
					\$ 58,008.95

WATER & SEWER UTILITY OPERATING FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010		Total	Disbursed	Balance Lapsed
	Encumbered	Reserved			
Operating:					
Salaries and Wages		\$ 2,297.77	\$ 2,297.77		\$ 2,297.77
Other Expenses	\$ 6,523.74	33.93	6,557.67	\$ 6,523.74	33.93
Statutory Expenditures:					
Contribution to:					
Unemployment Compensation		19.62	19.62		19.62
Social Security System (O.A.S.I.)		1,240.28	1,240.28		1,240.28
	\$ 6,523.74	\$ 3,591.60	\$ 10,115.34	\$ 6,523.74	\$ 3,591.60

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2010		Deferred Charges to Future Revenue	Paid or Charged	Improvement Authorizations Canceled	Balance Dec. 31, 2011	
				Funded	Unfunded				Funded	Unfunded
06-7; 06-11.2	Water Plant Upgrades	8/23/06	\$ 20,000.00	\$ 5,896.07	\$ -	\$ 5,896.07	\$ -	\$ -	\$ 5,896.07	\$ -
06-7; 06-11.3	Sewer System Upgrades	8/23/06	100,000.00	98,099.33	-	15,050.17	-	-	98,099.33	-
06-7; 06-11.4	Utility Department Equipment	8/23/06	295,000.00	236,741.17	-	-	-	\$ 11,112.70	225,628.47	-
07-13.2	Sewer System Improvements	7/11/07	40,000.00	39,239.73	-	-	-	-	39,239.73	-
07-13.3	Utility Department Equipment	7/11/07	25,000.00	23,200.49	-	1,632.32	-	-	21,568.17	-
08-9	Sewer System Improvements	8/27/08	50,000.00	39,166.02	-	1,000.00	-	-	38,166.02	-
09-14	Water System Improvements	12/16/09	85,000.00	83,384.43	-	43,571.76	-	-	39,812.67	-
				<u>\$ 525,727.24</u>	<u>-</u>	<u>\$ 67,150.32</u>	<u>\$ 11,112.70</u>	<u>\$ 447,464.22</u>	<u>-</u>	<u>-</u>
	Disbursed Reserve for Encumbrances					\$ 64,907.82				
						<u>2,242.50</u>				
						<u>\$ 67,150.32</u>				

WATER & SEWER UTILITY CAPITAL FUND
 Statement of Deferred Reserve for Amortization
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2010		Fixed Capital Authorized	Balance Dec. 31, 2011	
			Dec. 31, 2010	Unfunded		Dec. 31, 2011	Transferred to Reserve for Amortization
07-13.2	Sewer System Improvements	7/11/07	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00	\$ -
07-13.3	Utility Department Equipment	7/11/07	1,250.00	-	-	1,250.00	-
			<u>\$ 3,250.00</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 3,250.00</u>	<u>\$ -</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 7,610,041.90
Increased by:		
Serial Bonds Paid by Operating Budget	\$ 120,000.00	
Loans Paid by Operating Budget	278,315.40	
Loans Canceled	<u>528,839.88</u>	
		<u>927,155.28</u>
		8,537,197.18
Decreased by:		
Improvement Authorizations Canceled		<u>11,112.70</u>
Balance Dec. 31, 2011		<u><u>\$ 8,526,084.48</u></u>

Exhibit SD-13

WATER & SEWER UTILITY OPERATING FUND
 Statement of Utility Liens Receivable
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 7,617.22
Increased by:		
Transferred from Rents Receivable		<u>787.52</u>
Balance Dec. 31, 2011		<u><u>\$ 8,404.74</u></u>
<u>Analysis of Balance Dec. 31, 2011</u>		
Sewer		\$ 8,404.74
Water		<u>-</u>
		<u><u>\$ 8,404.74</u></u>

Exhibit SD-14

WATER & SEWER UTILITY OPERATING FUND
 Statement of Reserve for Encumbrances
 For the Year Ended December 31, 2011

Balance Dec. 31, 2010		\$ 6,523.74
Increased by:		
Transferred from 2011 Budget Appropriations	\$ 16,462.04	
Transferred from Reserve for Escrow Deposits	<u>141.50</u>	
		<u>16,603.54</u>
		23,127.28
Decreased by:		
Transferred to Appropriation Reserves		<u>6,523.74</u>
Balance Dec. 31, 2011		<u><u>\$ 16,603.54</u></u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Sewer Serial Bonds
 For the Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>					
2004 Refunding Bonds	5-1-04	\$ 1,765,000.00	5-1-2012	\$ 120,000.00	4.00%				
			5-1-2013	115,000.00	4.00%				
			5-1-2014	125,000.00	4.125%				
			5-1-2015	130,000.00	4.25%				
			5-1-2016	135,000.00	4.375%				
			5-1-2017	140,000.00	4.50%				
			5-1-2018	145,000.00	4.625%				
			5-1-2019	155,000.00	4.75%	\$ 1,175,000.00		\$ 110,000.00	\$ 1,065,000.00
2010 Serial Bonds	6-10-10	636,000.00	7-15-2012	10,000.00	3.00%				
			7-15-2013	10,000.00	3.00%				
			7-15-2014	10,000.00	3.00%				
			7-15-2015	20,000.00	3.00%				
			7-15-2016	30,000.00	3.00%				
			7-15-2017	30,000.00	3.25%				
			7-15-2018	30,000.00	3.50%				
			7-15-2019	30,000.00	3.50%				
			7-15-2020	75,000.00	3.50%				
			7-15-2021	75,000.00	3.50%				
		7-15-2022	100,000.00	3.50%					
		7-15-2023	100,000.00	3.60%					
		7-15-2024	106,000.00	3.75%					
						636,000.00		10,000.00	626,000.00
						\$ 1,811,000.00	\$ -	\$ 120,000.00	\$ 1,691,000.00

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Environmental Infrastructure Loans
 For the Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>					
2001A Fund Loan	11-8-01	\$ 1,342,670.00	2-1-2012	\$ 15,069.27	N/A				
			8-1-2012	63,484.60	N/A				
			2-1-2013	13,737.85	N/A				
			8-1-2013	62,153.18	N/A				
			2-1-2014	12,406.42	N/A				
			8-1-2014	64,049.45	N/A				
			2-1-2015	11,115.35	N/A				
			8-1-2015	65,986.06	N/A				
			2-1-2016	9,743.58	N/A				
			8-1-2016	67,841.98	N/A				
			2-1-2017	8,291.12	N/A				
			8-1-2017	69,617.21	N/A				
			2-1-2018	6,757.97	N/A				
			8-1-2018	71,311.75	N/A				
			2-1-2019	5,144.12	N/A				
			8-1-2019	72,925.59	N/A				
			2-1-2020	3,449.59	N/A				
			8-1-2020	49,892.01	N/A	\$ 750,788.60	\$ 77,811.50	\$ 672,977.10	
2001A Trust Loan	11-8-01	1,440,000.00	8-1-2012	75,000.00	5.50%				
			8-1-2013	75,000.00	5.50%				
			8-1-2014	80,000.00	5.00%				
			8-1-2015	80,815.98	5.00%				
			8-1-2016	85,580.03	5.00%				
			8-1-2017	90,328.51	5.00%				
			8-1-2018	95,072.65	5.00%				
			8-1-2019	99,905.32	5.00%				
			8-1-2020	104,703.57	4.75%				
			8-1-2021	109,551.02	4.75%	1,000,000.00	104,042.92	895,957.08	

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
Statement of Environmental Infrastructure Loans
For the Year Ended December 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Issued	Decreased	Balance Dec. 31, 2011
			Date	Amount					
2002A Trust Loan	11-7-02	\$ 1,370,000.00	8-1-2012	\$ 65,000.00	5.00%				
			8-1-2013	70,000.00	5.25%				
			8-1-2014	75,000.00	5.25%				
			8-1-2015	25,672.63	5.00%				
			8-1-2016	26,154.33	5.00%				
			8-1-2017	26,390.52	5.00%				
			8-1-2018	28,647.94	5.00%				
			8-1-2019	30,892.73	5.00%				
			8-1-2020	33,391.26	5.00%				
			8-1-2021	30,884.04	5.00%	\$ 1,005,000.00			
			8-1-2022	33,169.59	4.75%		\$ 559,796.96	\$ 445,203.04	
2002A Fund Loan	11-7-02	736,096.00	2-1-2012	13,373.36	N/A				
			8-1-2012	50,284.96	N/A				
			2-1-2013	12,450.56	N/A				
			8-1-2013	52,201.53	N/A				
			2-1-2014	11,407.10	N/A				
			8-1-2014	53,997.42	N/A				
			2-1-2015	10,289.11	N/A				
			8-1-2015	38,299.88	N/A	307,807.82		65,503.90	242,303.92
						\$ 3,063,596.42	\$ 807,155.28	\$ 2,256,441.14	
Paid by Budget Appropriation Canceled to Reserve for Amortization									
							\$ 278,315.40	528,839.88	
							\$ 807,155.28		

TOWNSHIP OF WATERFORD
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF WATERFORD
Schedule of Findings and Recommendations
For the Year Ended December 31, 2011

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.

TOWNSHIP OF WATERFORD
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.

None.

TOWNSHIP OF WATERFORD
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Ralph Condo	Mayor and Director of Administration	\$1,000,000.00(A)
William Richardson	Deputy Mayor	1,000,000.00(A)
Pamela Finnerty	Committeeman	1,000,000.00(A)
Charles Hamilton	Committeeman	1,000,000.00(A)
William Hurley	Committeeman	1,000,000.00(A)
Virginia L. Chandler	Township Clerk, Improvement Search Clerk, and Registrar of Vital Statistics	1,000,000.00(A)
Stephen A. Miller	Certified Municipal Finance Officer	1,000,000.00(A)
Anita Wilson	Tax Collector and Search Clerk	1,000,000.00(A)
Susan Danson	Treasurer and Purchasing Agent	1,000,000.00(B)
Wendy Parducci	Planning and Zoning Board Secretary	1,000,000.00(A)
John Holroyd, Jr.	Electrical, Fire, and Plumbing Sub Code Official	1,000,000.00(A)
Edward Toussaint	Construction and Building Sub Code Official	1,000,000.00(A)
Krisden McCrink	Judge of Municipal Court	1,000,000.00(A)
Heather N. Iannarellal	Court Administrator	1,000,000.00(A)
Kelly Foster	Deputy Court Administrator	1,000,000.00(A)
John Knoll	Police Chief and Gun Permit Clerk	1,000,000.00(A)
Theresa Stagliano	Assessor	1,000,000.00(A)
Adams Rehmann and Heggan.	Engineer	
David Patterson	Attorney	

- (A) Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, with a \$1,000.00 per loss deductible through the Atlantic County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.
- (B) Employee was bonded through Selective Insurance Company of America for the first \$50,000.00 of any loss. Any loss in excess of \$50,000.00 is covered by the Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, through the Atlantic County Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed

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

A handwritten signature in black ink, appearing to read 'Joe Hoffmann', with a long horizontal flourish extending to the right.

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

