

BOROUGH OF COLLINGSWOOD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2010

INDEX

	<u>Page</u>
<u>PART I</u>	1
Independent Auditor's Report	2-3
<u>CURRENT FUND</u>	4
A Comparative Balance Sheet - Current Fund - Regulatory Basis	5-6
A-1 Comparative Statement of Operations and Change in Fund Balance - Current Fund - Regulatory Basis	7-8
A-2 Statement of Revenues - Current Fund - Regulatory Basis	9-11
A-3 Statement of Expenditures - Current Fund - Regulatory Basis	12-20
<u>TRUST FUND</u>	21
B Comparative Balance Sheet - Trust Fund - Regulatory Basis	22-24
<u>GENERAL CAPITAL FUND</u>	25
C Comparative Balance Sheet - General Capital Fund - Regulatory Basis	26
C-1 Schedule of Fund Balance	27
<u>WATER UTILITY FUND</u>	28
D Comparative Balance Sheet - Water Utility Fund - Regulatory Basis	29-30
D-1 Comparative Statement of Operations and Change in Fund Balance - Water Utility Fund - Regulatory Basis	31
D-2 Statement of Fund Balance - Water Capital Fund - Regulatory Basis	32
D-3 Statement of Revenues - Water Operating Fund - Regulatory Basis	32
D-4 Statement of Expenditures - Water Utility Fund - Regulatory Basis	33
<u>SEWER UTILITY FUND</u>	34
E Comparative Balance Sheet - Sewer Utility Fund - Regulatory Basis	35-36
E-1 Comparative Statement of Operations and Change in Fund Balance - Sewer Utility Fund - Regulatory Basis	37
E-2 Statement of Fund Balance - Sewer Capital Fund - Regulatory Basis	38
E-3 Statement of Revenues - Sewer Operating Fund - Regulatory Basis	38
E-4 Statement of Expenditures - Sewer Utility Fund - Regulatory Basis	39

INDEX

	<u>Page</u>
<u>PARKING UTILITY FUND</u>	40
F Comparative Balance Sheet - Parking Utility Fund - Regulatory Basis	41
F-1 Comparative Statement of Operations and Change in Fund Balance - Parking Utility Fund - Regulatory Basis	42
F-2 Statement of Revenues - Parking Utility Fund - Regulatory Basis	42
F-3 Statement of Expenditures - Parking Utility Fund - Regulatory Basis	43
 <u>GENERAL FIXED ASSETS</u>	 44
G Statement of General Fixed Assets – Regulatory Basis	45
 <u>NOTES TO FINANCIAL STATEMENTS</u>	 46-70
 <u>SUPPLEMENTARY INFORMATION</u>	 71
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 Single Audit Section	72-73 74
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 04-04 OMB	75-76
Schedule of Expenditures of Federal Awards – Schedule 1	77
Schedule of Expenditures of State Financial Assistance – Schedule 2	78-79
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance – Schedule 3	80
Schedule of Findings & Questioned Costs – Schedule 4	81-82
Summary Schedule of Prior Audit Findings – Schedule 5	83
 <u>CURRENT FUND</u>	 84
A-4 Schedule of Current Fund Cash - Treasurer	85-86
A-5 Schedule of Current Fund Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	87
A-6 Schedule of Change Funds	87
A-7 Schedule of Taxes Receivable and Analysis of Property Tax Levy	88-89
A-8 Schedule of Tax Title Liens Receivable	90
A-9 Schedule of Property Acquired for Taxes	90
A-10 Schedule of Grants Receivable	91
A-11 Schedule of Revenue Accounts Receivable	92
A-12 Schedule of Deferred Charges	93
A-13 Schedule of Deferred Charges N.J.S.A. 40A:4-55 Special Emergency – Revaluation Program	93
A-14 Schedule of 2009 Appropriation Reserves	94
A-15 Schedule of Encumbrances Payable	95

INDEX

	<u>Page</u>
<u>CURRENT FUND (Continued)</u>	
A-16 Schedule of Due to State of New Jersey-Senior Citizen and Veterans Deductions	95
A-17 Schedule of Local District School Tax Payable	96
A-18 Schedule of Reserve for Grants - Unappropriated	96
A-19 Schedule of Reserve for Local Grants – Appropriated	96
A-20 Schedule of Reserve for Grants - Appropriated	97
<u>TRUST FUND</u>	98
B-1 Schedule of Trust Fund Cash - Treasurer	99
B-2 Schedule of Trust Fund Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	100
B-3 Schedule of Trust Fund Cash - Collector	101
B-4 Schedule of Trust Fund Cash and Reconciliation per N.J.S.A. 40A:5-5 - Collector	102
B-5 Schedule of Reserve for Dog Fund Expenditures	103
B-6 Schedule of Deposits for Redemption of Tax Sale Certificates	103
B-7 Schedule of Deposits for Redemption of Tax Sale Premiums	104
<u>GENERAL CAPITAL FUND</u>	105
C-2 Schedule of General Capital Cash - Treasurer	106
C-3 Schedule of General Capital Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	107
C-4 Analysis of General Capital Fund Cash	108
C-5 Schedule of Deferred Charges to Future Taxation - Funded	109
C-6 Schedule of Capital Improvement Fund	109
C-7 Schedule of Deferred Charges to Future Taxation - Unfunded	110
C-8 Schedule of Improvement Authorizations	111
C-9 Schedule of General Serial Bonds Payable	112-114
C-10 Schedule of Bond Anticipation Notes Payable	115
C-11 Schedule of Bonds and Notes Authorized but not Issued	115
<u>WATER UTILITY FUND</u>	116
D-5 Schedule of Water Utility Cash - Treasurer	117
D-6 Schedule of Water Utility Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	118
D-7 Analysis of Water Utility Capital Fund Cash	119
D-8 Schedule of Consumer Accounts Receivable - Water	120
D-9 Schedule of Water Utility Liens Receivable	120
D-10 Schedule of Fixed Capital – Water Capital Fund	121
D-11 Schedule of Fixed Capital Authorized and Uncompleted	122
D-12 Schedule of 2009 Appropriation Reserves - Water	123
D-13 Schedule of Encumbrances Payable - Water	123
D-14 Schedule of Capital Improvement Fund	124
D-15 Schedule of Accrued Interest on Bonds and Notes and Analysis of Balance	124
D-16 Schedule of Deferred Reserve for Amortization	125
D-17 Schedule of Improvement Authorizations - Water	126

INDEX

	<u>Page</u>
<u>WATER UTILITY FUND (Continued)</u>	
D-18 Schedule of Water Serial Bonds	127
D-19 Schedule of Bonds and Notes Authorized But Not Issued	128
 <u>SEWER UTILITY FUND</u>	
E-5 Schedule of Sewer Utility Cash Treasurer	130
E-6 Schedule of Sewer Utility Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	131
E-7 Analysis of Sewer Utility Capital Fund Cash	132
E-8 Schedule of Consumer Accounts Receivable - Sewer	133
E-9 Schedule of Sewer Utility Liens Receivable	133
E-10 Schedule of Fixed Capital – Sewer Capital Fund	134
E-11 Schedule of Fixed Capital Authorized and Uncompleted - Sewer	135
E-12 Schedule of 2009 Appropriation Reserves - Sewer	136
E-13 Schedule of Encumbrances Payable - Sewer	136
E-14 Schedule of Capital Improvement Fund	137
E-15 Schedule of Accrued Interest on Bonds and Notes and Analysis of Balance	137
E-16 Schedule of Deferred Reserve for Amortization	138
E-17 Schedule of Improvement Authorizations - Sewer	139
E-18 Schedule of Sewer Serial Bonds Payable	140
E-19 Schedule of Bonds and Notes Authorized But Not Issued – Sewer Capital Fund	141
E-20 Schedule of NJ Wastewater Treatment Trust Loan	142
 <u>PARKING UTILITY FUND</u>	
F-4 Schedule of Parking Utility Fund Cash - Treasurer	144
F-5 Schedule of Parking Utility Fund Cash and Reconciliation per N.J.S.A. 40A:5-5 - Treasurer	144
F-6 Schedule of 2009 Appropriation Reserves – Parking Utility Fund	145
F-7 Schedule of Encumbrances Payable – Parking Utility Fund	146
 <u>PART II</u>	
General Comments	148-149
Other Comments	149
Status of Prior Recommendations	150
Recommendations	150-151

PART I
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2010

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Board of Commissioners
Borough of Collingswood
678 Haddon Avenue
Collingswood, NJ 08108

We have audited the accompanying balance sheets – regulatory basis of the various funds and account groups of the Borough of Collingswood as of December 31, 2010 and 2009, the related statements of operations and changes in fund balance – regulatory basis for the year then ended, and the related statement of revenues – regulatory basis and statement of expenditures – regulatory basis of the various funds, as listed in the table of contents for the year ended December 31, 2010. These financial statements are the responsibility of the Borough of Collingswood'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 audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 Borough of Collingswood prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting and the 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 of preparing its financial statements on the basis of accounting discussed in the third paragraph of this report, 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 Borough of Collingswood as of December 31, 2010 and 2009, or the results of its operations for the years then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account groups of the Borough of Collingswood as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance – regulatory basis of such funds for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2010 on the modified accrual basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2011 on our consideration of the Borough of Collingswood's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Borough of Collingswood. The accompanying supplemental schedules listed in the table of contents are not a required part of the financial statements of the Borough of Collingswood. The accompanying schedule of Federal awards and State Financial Assistance is presented for additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and New Jersey Treasurer Circular Letter 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and is not a required part of the financial statements. The schedule of Federal awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare 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 taken as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

April 15, 2011

CURRENT FUND

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

	<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Regular Fund</u>				
Cash - Treasurer		A-4	1,155,942	3,384,753
Cash - Payroll		A-4	84,624	120,488
Petty Cash			600	600
Change Fund		A-6	275	275
			<u>1,241,441</u>	<u>3,506,116</u>
Receivables and Other Assets with Full Reserves:				
Delinquent Property Taxes Receivable		A-7	8,322	32,766
Tax Title Liens Receivable		A-8	30,915	11,959
Property Acquired for Taxes - Assessed Valuation		A-9	79,975	149,975
Revenue Accounts Receivable		A-11	13,228	13,015
Clean-up Charges Receivable			13,565	59,716
Tax Abatements Receivable			4,352	98
Due from Fire Company			2,450	800
Due from Trust Other		B	2,833	2,147
Due from Animal Control Trust Fund		B	1	2
Due from Tax Sale Trust Fund		B	205	1,420
Due from General Capital Fund		C	7,728	
Due from Water Operating Fund				21,000
Due from Parking Utility		F	1,586	
Due from Special Improvement District			6,578	6,578
Due from Foundation for the Arts			153,830	525,330
			<u>325,568</u>	<u>824,806</u>
Deferred Charges:				
Emergency Authorization		A-3	205,034	
Overexpenditure of Appropriation		A-3	146	
Special Emergency Authorization		A-13	156,035	234,052
Deficit in Operations				72,204
			<u>361,215</u>	<u>306,256</u>
			<u>1,928,224</u>	<u>4,637,178</u>
<u>Federal and State Grant Fund</u>				
Cash - Treasurer		A-4	67,529	145,194
Grants Receivable		A-10	656,014	1,357,962
Overexpenditure of a Grant		A-12	45,354	8,869
Grant Expenditures Without Appropriation		A-12	4,000	
			<u>772,897</u>	<u>1,512,025</u>
			<u>2,701,121</u>	<u>6,149,203</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Regular Fund</u>			
Liabilities:			
Appropriation Reserves	A-3:A-14	70,324	60,501
Encumbrances Payable	A-15	5,931	29,314
Reserve for Maintenance of Free Public Library		6,657	13,911
Due State of New Jersey:			
Senior Citizen and Veterans Deductions	A-16	71,382	70,132
Construction DCA		1,774	1,046
Marriage License Fees/Burial Permits		860	485
Prepaid Taxes		101,677	132,102
Tax Overpayments		43,977	57,899
Due County for Added & Omitted Taxes	A-7	5,304	3,610
Due Special Improvement District Taxes		1,424	
Due Special Improvement District		33,000	
Due Camden County Municipal Utilities Authority		360	360
Due Special Improvement District			2,975
Reserve for Tax Appeals Pending			55,896
Due to General Capital Fund			543,992
Due to Water Capital Fund			165,000
Due to Sewer Operating Fund			60,000
Due to Sewer Capital Fund			1,110,000
Due to Parking Utility Fund			112,600
Due to Unemployment Trust Fund	B	579	12,424
Payroll Taxes Payable		84,045	81,127
Reserve for Local Grants	A-19	96,184	72,134
Reserve for JIF Safety Awards - Unappropriated		6,800	5,831
		<hr/> 530,278	<hr/> 2,591,339
Reserve for Receivables		325,568	824,806
Fund Balance	A-1	1,072,378	1,221,033
		<hr/> 1,928,224	<hr/> 4,637,178
<u>Federal and State Grant Fund</u>			
Reserve for Grants - Appropriated	A-20	750,555	1,482,663
Reserve for Grants - Unappropriated	A-18	19,115	21,379
Encumbrances Payable	A-15	3,227	7,983
		<hr/> 772,897	<hr/> 1,512,025
		<hr/> <hr/> 2,701,121	<hr/> <hr/> 6,149,203

The accompanying notes to the financial statements are an integral part of this statement.

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

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized	A-2	576,489	709,347
Miscellaneous Revenue Anticipated	A-2	7,396,232	8,155,408
Receipts from Delinquent Taxes	A-2	42,977	8,072
Receipts from Current Taxes	A-2	30,926,616	28,475,495
Non-Budget Revenue	A-2	111,301	109,157
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	13,569	9,261
Encumbrances Payable - Canceled	A-15	634	70
Interfund Loan Returned		397,862	27,706
Tax Overpayments - Canceled		3,457	
Prior Year Trust Other Balances - Canceled		3,422	
Reserve for Grants Appropriated - Canceled	A-20	277,470	
Total Income		39,750,029	37,494,516
<u>Expenditures</u>			
Budget Appropriations Within "CAPS"			
Operations:			
Salaries and Wages	A-3	5,451,594	5,071,692
Other Expenses	A-3	4,524,149	4,061,401
Deferred Charges and Statutory			
Expenditures - Municipal	A-3	789,115	791,966
Budget Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages	A-3	28,032	21,585
Other Expenses	A-3	2,029,220	2,357,827
Capital Improvements	A-3	845,000	1,495,000
Debt Service	A-3	2,547,694	2,175,938
Deferred Charges	A-3	78,017	103,017
Transfer to Board of Education	A-3	405,500	405,500
County Taxes	A-7	6,984,575	6,398,996
County Open Space Taxes			230,484
Due County for Added Taxes	A-7	5,304	3,610
Local District School Tax	A-17	14,602,249	13,872,082
Special Improvement District Tax	A-7	253,694	249,135
Prior Year Deductions Disallowed	A-16	6,250	8,250
Interfund Loan Advanced		663,763	299,248
Prior Year Tax Appeals			20,989
Grants Receivable Canceled	A-10	313,217	
Total Expenditures		39,527,373	37,566,720

The accompanying notes to the financial statements are an integral part of this statement.

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

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Excess in Revenue		222,656	
Deficit in Revenue			72,204
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-3	205,180	
Statutory Excess to Fund Balance		427,836	
Deficit in Operations			72,204
			<u>72,204</u>
<u>Fund Balance</u>			
Balance January 1	A	1,221,033	1,930,380
		1,648,869	1,930,380
Decreased by:			
Utilization as Anticipated Revenue	A-1	576,489	709,347
Balance December 31	A	1,072,380	1,221,033

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Amended by N.J.S.A. 40A:4-87		
Surplus Anticipated	A-1	576,489		576,489	
Miscellaneous Revenues:					
Licenses: Other	A-11	1,000		1,295	295
Fees and Permits	A-11	45,000		70,193	25,193
Fines and Costs:					
Municipal Court	A-11	161,000		163,473	2,473
Interest and Costs on Taxes	A-11	80,000		94,175	14,175
Interest on Investments	A-11	55,000		46,105	(8,895)
Department of Recreation Fees	A-11	82,000		70,163	(11,837)
Fire Service	A-11	53,000		65,155	12,155
Delaware River Port Authority	A-11	30,000			(30,000)
Collingswood Ambulance Service	A-11	7,500		15,105	7,605
Pool Tags	A-11	120,000		142,759	22,759
Rental Inspections	A-11	20,000		22,515	2,515
Resale Inspection Fees	A-11	6,400		5,950	(450)
Third Party Ambulance - Billing	A-11	328,975		369,444	40,469
Housing Inspections	A-11	62,714		83,451	20,737
Donations - Community Sponsored					
Events	A-11	1,000		2,146	1,146
Payments in Lieu of Taxes:					
Parkview Apartments	A-11	830,305		824,772	(5,533)
Methodist Home	A-11	38,397		38,397	
Senior Community Center Rents	A-11	93,000		89,492	(3,508)
Consolidated Municipal					
Property Tax Relief Act					
(N.J.S.A. 52:27D-118.34)	A-11	265,574		265,574	
Energy Receipts Tax	A-11	929,844		929,844	
Uniform Construction Code	A-11	71,328		84,504	13,176
Interlocal Municipal Services:					
Merchantville - Construction	A-11	12,332		13,937	1,605
Woodlynne - Construction	A-11	5,200		5,200	
Oaklyn - Construction	A-11	3,000			(3,000)
Haddon - Fire Service	A-11	21,152		24,416	3,264
Woodlynne - Police Department	A-11	527,188		527,188	
Woodlynne - Municipal Court	A-11	54,310		54,306	(4)
Knight Park Donation	A-11	7,500		7,500	
Cable TV Franchise Fee	A-11	40,306		40,306	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Amended by N.J.S.A. 40A:4-87		
Telephone/Internet Franchise Fee	A-11	33,962		33,962	
Sale of Property	A-11	2,000		305,025	303,025
Payments in Lieu:					
Collingswood Housing Authority	A-11	15,982		16,496	514
Lumberyard	A-11	411,000		462,650	51,650
Pewter Village	A-11	68,000		67,500	-500
VOA	A-11	9,600		11,364	1,764
Other	A-11	27,000		27,714	714
Due from Scottish Rite	A-11	235,000		235,000	
Due from Collingswood Partners	A-11	75,943		123,817	47,874
Lease Payments:					
Catelli Parking	A-11	12,000		11,000	-1,000
Zane School	A-11	265,000		229,190	-35,810
Robert's Pool Concession Stand Sales	A-11	14,000		22,063	8,063
Redeveloper - Loan Repayment	A-11	1,300,000		1,300,000	
Community Development Block Grant	A-10	70,334		70,334	
Click it or Ticket	A-10	4,000		4,000	
Over the Limit Under Arrest	A-10	5,000		5,000	
Pedestrian/Decoy Safety	A-10	8,000	1,000	9,000	
NJ Transportation Trust	A-10	195,000		195,000	
Clean Communities Program	A-10	29,195		29,195	
Safe & Secure Program	A-10	90,000		90,000	
Drunk Driving Enforcement Fund	A-10	4,958		4,958	
Police Body Armor	A-10	1,404	2,865	4,269	
Municipal Court Alcohol Education	A-10	279		279	
Municipal Alliance	A-10	16,650		16,650	
Firefighters Assistance Grant	A-10	48,569		48,569	
E. Byrne Memorial Justice Assistance	A-10		7,832	7,832	
Juvenile Offenders Station House	A-10	1,000		1,000	
Community Forestry Grant	A-10	7,000		7,000	
Total Miscellaneous Revenues		6,903,901	11,697	7,396,232	480,634
Receipts from Delinquent Taxes	A-2	9,000		42,977	33,977
Amount to be Raised by Taxation	A-2	9,108,000		9,145,602	37,602

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
GENERAL GOVERNMENT FUNCTIONS							
Administrator's Office							
Other Expenses	1,000	975	674		301		
Mayor and Commissioners							
Salaries and Wages	11,016	10,609	10,608		1		
Other Expenses	900	616	616				
Municipal Clerk							
Salaries and Wages	46,481	46,744	46,743		1		
Other Expenses:							
Printing and Advertising	10,000	11,743	11,742		1		
Stationery and Supplies	600	600	578		22		
Miscellaneous Other Expenses	1,325	2,015	1,945	69	1		
Elections							
Salaries and Wages	2,000	1,500	1,500				
Other Expenses	5,200	5,200	5,154	46			
Financial Administration							
Salaries and Wages	12,549	8,931	8,930		1		
Other Expenses	27,100	40,370	40,084	286			
Audit Services							
Other Expenses	14,000	14,950	14,950				
Collection of Taxes							
Salaries and Wages	5,584	5,584	5,584				
Other Expenses	13,900	13,370	13,152	215	3		
Assessment of Taxes							
Salaries and Wages	17,445	17,445	17,445				
Other Expenses	6,500	6,385	6,018	366	1		
Legal Services and Costs							
Salaries and Wages	2,199	2,199	2,189		10		
Other Expenses	6,000	25,824	25,823		1		
Engineering Services and Costs							
Other Expenses	8,000	9,242	9,242				

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
Community Development							
Salaries and Wages	74,145	67,745	67,728		17		
Other Expenses	15,000	6,542	6,512	30			
Historical Building - Knight Homestead							
Other Expenses	500	215	215				
Zane School							
Other Expenses	52,000	34,969	34,969				
LAND USE ADMINISTRATION							
Municipal Land Use Law (N.J.S.A. 40:55D-1)							
Planning Board							
Salaries and Wages	16,947	16,947	16,946		1		
Other Expenses	600	545	543		2		
Zoning Commission							
Salaries and Wages	31,445	31,457	31,457				
Other Expenses	700	700	700				
CODE ENFORCEMENT AND ADMINISTRATION							
Nuisance Inspector							
Salaries and Wages	19,494	19,494	19,493		1		
Other Expenses	750	750	702	38	10		
INSURANCE							
Liability Insurance	192,268	192,268	192,267		1		
Workers Compensation Insurance	296,410	296,410	296,410				
Group Insurance Plan for Employees	1,488,919	1,493,915	1,487,155	1,560	5,200		
PUBLIC SAFETY FUNCTIONS							
Police							
Salaries and Wages	2,500,432	2,646,656	2,646,656				
Other Expenses	48,700	47,143	46,763	379	1		
Ambulance							
Other Expenses	42,800	44,658	44,634	23	1		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
Fire							
Salaries and Wages	1,159,657	1,167,757	1,167,746			11	
Other Expenses	57,144	65,122	65,122				
Uniform Fire Safety Act (P.L. 1983, CH. 383):							
Fire Inspector							
Salaries and Wages	41,631	41,631	41,631				
Other Expenses	11,600	11,200	11,199			1	
Municipal Prosecutor							
Salaries and Wages	12,637	12,637	12,636			1	
PUBLIC WORKS FUNCTIONS							
Streets and Highways							
Salaries and Wages	185,265	200,106	200,105			1	
Other Expenses	20,550	17,220	16,780	439		1	
Shade Tree Commission							
Other Expenses	900	475	475				
Solid Waste Collection							
Contractual	520,338	500,463	476,444		24,019		
Public Building and Grounds							
Other Expenses	18,750	20,784	20,784				
Vehicle Maintenance							
Other Expenses	56,300	48,353	47,588	760		5	
HEALTH AND HUMAN SERVICES							
Public Health Services (Board of Health)							
Other Expenses	750	537	461	76			
Animal Regulation							
Other Expenses	13,500	12,868	12,868				

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
PARK AND RECREATION FUNCTIONS							
Parks and Playgrounds							
Salaries and Wages	47,437	46,484	46,484				
Other Expenses	73,250	65,681	65,681				
Robert's Park Swimming Pool							
Salaries and Wages	91,400	88,600	88,598		2		
Other Expenses	35,900	47,327	47,326		1		
Knight Park							
Salaries and Wages	56,141	56,141	56,141				
Senior Center							
Salaries and Wages	46,799	46,799	46,799				
Other Expenses	70,950	65,593	65,591		2		
Foundation for the Arts							
Salaries and Wages	560,000	560,000	559,578		422		
Business Improvement District							
Salaries and Wages	75,945	95,820	95,820				
OTHER COMMON OPERATING FUNCTIONS							
Community Sponsored Events							
Other Expenses	15,000	12,657	12,656		1		
UTILITY AND BULK EXPENSES							
Electricity	195,000	194,820	194,820				
Street Lighting	165,000	188,677	188,676		1		
Telephone	32,000	24,758	24,757		1		
Gas (Natural or Propane)	50,000	50,131	50,130		1		
Fuel Oil	36,000	36,579	36,578		1		
Telecommunication Costs	19,500	19,423	19,423				
Gasoline	70,000	73,238	73,238				
SOLID WASTE DISPOSAL COSTS							
Solid Waste Disposal							
Other Expenses	370,000	370,000	370,000				
MUNICIPAL COURT							
Salaries and Wages	122,987	132,262	132,185		77		
Other Expenses	22,425	22,523	22,329	340			146
Public Defender							
Salaries and Wages	5,000	1,721	1,719		2		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (NJAC 5:23-4.17)							
Construction Official							
Salaries and Wages	126,169	126,325	126,323		2		
Other Expenses	1,000	919	918		1		
UNCLASSIFIED							
Collingswood Municipal PRIDE Grant	425,000	425,000	425,000				
Total Operations	9,784,834	9,975,347	9,940,736	4,627	30,130		146
Contingent	250	250			250		
Total Operations Including Contingent Within "CAPS"	9,785,084	9,975,597	9,940,736	4,627	30,380		146
Detail:							
Salaries and Wages	5,270,805	5,451,594	5,451,044		550		
Other Expenses	4,514,279	4,524,003	4,489,692	4,627	29,830		146
DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS" DEFERRED CHARGES:							
Overexpenditure of a Grant	8,869	8,869	8,869				
Deficit in Operations	72,204	72,204	72,204				
Deficit in Water Operations	50,692	50,692				50,692	
STATUTORY EXPENDITURES:							
Contribution to:							
Public Employees' Retirement System	62,933	62,933	62,885		48		
Public Employees' Retirement System - Adjustment Bill	12,888	12,888	12,888				
Social Security System (O.A.S.I)	221,258	224,413	207,774		16,639		
Consolidated Police & Firemen's Retirement System	48	48	48				
Police & Firemen's Retirement System	407,760	407,760	407,760				
Total Deferred Charges & Statutory Expenditures - Municipal within "CAPS"	836,652	839,807	772,428		16,687	50,692	
Total General Appropriations for Municipal Purposes within "CAPS"	10,621,736	10,815,404	10,713,164	4,627	47,067	50,692	146

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
OPERATIONS EXCLUDED FROM "CAPS"							
EDUCATION FUNCTIONS							
Maintenance of Free Public Library	363,737	363,737	347,824	1,304	14,609		
INSURANCE							
Group Insurance Plan for Employees	181,941	181,941	181,941				
STATUTORY EXPENDITURES:							
Contribution to:							
Public Employees' Retirement System	128,423	128,423	128,423				
Police & Firemen's Retirement System	498,000	498,000	498,000				
SOLID WASTE DISPOSAL COSTS							
Recycling Tax							
Other Expenses	20,000	20,000	14,744		5,256		
Total Other Operations - Excluded from "CAPS"	1,192,101	1,192,101	1,170,932	1,304	19,865		
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS							
Construction Code - Interlocal Service Agreements:							
Construction Official - Salaries & Wages:							
Borough of Merchantville	12,332	12,332	12,331		1		
Borough of Woodlynne	5,200	5,200	5,200				
Borough of Oaklyn	2,000	2,000	2,000				
Fire Services - Interlocal Service Agreements:							
Township of Haddon	21,152	21,152	21,151		1		
Borough of Oaklyn	1,000	1,000	500		500		
Police - Interlocal Service Agreements:							
Borough of Woodlynne	527,187	527,187	527,187				
Municipal Court							
Borough of Woodlynne	54,310	54,310	54,310				
Total Interlocal Municipal Service Agreements Excluded	623,181	623,181	622,679		502		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES							
Knight Park Donation - Salary & Wages	7,500	7,500	4,610		2,890		
Municipal Court Alcohol Education	278	278	278				
Drunk Driving Enforcement Fund	4,958	4,958	4,958				
Clean Communities	29,195	29,195	29,195				
Municipal Alliance for Drug & Alcohol Abuse	20,813	20,813	20,813				
Safe and Secure	90,000	90,000	90,000				
County Juvenile Offenders Station House Program	1,000	1,000	1,000				
Police Body Armor	1,403	4,269	4,269				
Over the Limit Under Arrest	5,000	5,000	5,000				
Click it or Ticket	4,000	4,000	4,000				
Pedestrian Decoy Grant	8,000	9,000	9,000				
Edward Byrne Memorial Justice Assistance Grant		7,832	7,832				
Firefighters Assistance Grant	51,125	51,125	51,125				
Community Forestry Grant	7,000	7,000	7,000				
Total Public and Private Programs Excluded from "CAPS"	230,272	241,970	239,080		2,890		
Total Operations Excluded from "CAPS"	2,045,554	2,057,252	2,032,691	1,304	23,257		
Detail:							
Salaries and Wages	28,032	28,032	24,641		3,391		
Other Expenses	2,017,522	2,029,220	2,008,050	1,304	19,866		
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Bridge Loan Lumberyard Redevelopment LLC	650,000	650,000	650,000				
NJ Transportation Trust Fund - Palmer	195,000	195,000	195,000				
Capital Improvements Excluded from "CAPS"	845,000	845,000	845,000				

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
DEBT SERVICE							
Payment of Bond Principal	949,474	949,474	949,474				
Payment of Bond Anticipation Notes	33,000	33,000		33,000			
Interest on Bonds	1,554,301	1,554,301	1,554,264			37	
Interest on Notes		11,365	10,956			409	
Total Debt Service	2,536,775	2,548,140	2,514,694	33,000		446	
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"							
Deferred Charges:							
Special Emergency Authorization	78,017	78,017	78,017				
Total Deferred Charges Excluded from "CAPS"	78,017	78,017	78,017				
Transfer to Board of Education	405,500	405,500	405,500				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	5,910,846	5,933,909	5,875,902	34,304	23,257	446	
Subtotal General Appropriations	16,532,582	16,749,313	16,589,066	38,931	70,324	51,138	146
RESERVE FOR UNCOLLECTED TAXES	64,808	64,808	64,808				
TOTAL GENERAL APPROPRIATIONS	16,597,390	16,814,121	16,653,874	38,931	70,324	51,138	146
Ref.	A-2			A-15	A		A:A-12
		<u>Ref.</u>					
Budget		A-3	16,597,390				
Budget Amendments per N.J.S.A. 40A:4-87		A-2	11,697				
Emergency Authorization		A	205,034				
			<u>16,814,121</u>				

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>	<u>Overexpended</u>
	<u>Budget</u>	<u>Budget After Modifications</u>	<u>Paid or Charged</u>	<u>Encumbered</u>		
		<u>Ref.</u>				
Reserve for Uncollected Taxes		A-2	64,808			
Deferred Charges:						
Overexpenditure of Appropriation Reserve		A-12	8,869			
Overexpenditure of Appropriation		A-12	72,204			
Special Emergency		A-13	78,017			
Due Foundation for the Arts			371,500			
Reserve for Federal & State Grants - Appropriated		A-20	429,470			
Reserve for Local Grants - Appropriated		A-19	425,000			
Disbursed		A-4	15,204,006			
			<u>16,653,874</u>			

The accompanying notes to the financial statements are an integral part of this statement.

TRUST FUND

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
<u>Animal Control Trust Fund</u>			
Cash - Treasurer	B-1	(18)	1,325
Deficit in Animal Control Trust	B-5	19	
		<u>1</u>	<u>1,325</u>
 <u>Trust Other Fund</u>			
Cash - Treasurer	B-1	198,573	146,442
Commodity Resale Receivable		30,655	28,234
Accounts Receivable Off-Duty Police		32,121	38,108
Expenditure without Appropriation		700	
		<u>262,049</u>	<u>212,784</u>
 <u>Tax Sale Premium</u>			
Cash - Collector	B-3	136,900	73,967
 <u>Unemployment Compensation Trust Fund</u>			
Cash - Treasurer	B-1	22,406	81,055
Due from Payroll Agency	A	579	12,424
		<u>22,985</u>	<u>93,479</u>
		<u>421,935</u>	<u>381,555</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Animal Control Trust Fund</u>			
Due Current Fund	A	1	2
Due State of New Jersey			1
Reserve for Dog Fund Expenditures			1,322
		1	1,325
<u>Trust Other Fund</u>			
Encumbrances Payable		5,661	4,225
Due Current Fund	A	2,833	2,147
Due Collingswood Public Library			
Reserve for:			
Zoning Board Escrow		2,785	2,905
Planning Board Escrow		8,169	7,310
Other Escrow Fees			3,323
Trust Other			99
Snow Removal Trust Fund		37,355	
Public Defender			546
Parking Offense Adjudication Act		4,158	4,367
Rooming House Escrow		1,400	2,505
Uniform Fire Safety - Penalty Money		20,428	20,065
Municipal Alliance Program Income		26	7,526
Law Enforcement Forfeiture		5,423	1,467
Donations - Police Equipment		2,603	2,603
Donations - Fire Equipment		4,355	2,945
Donations - Bike Share Program		5,059	2,665
Donations - Community Events and Activities		20,327	18,764
Domestic Violence Program Income		283	283
Commodity Resale		97,813	85,485
Off-Duty Police		40,289	40,472
Bequest - Ambulance Donations		3,082	3,082
		262,049	212,784

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Tax Sale Premium</u>			
Reserve for Tax Sale Redemptions	B -6	26,295	9,447
Reserve for Tax Sale Premiums	B-7	110,400	63,100
Due Current Fund	A	205	1,420
		<hr/> 136,900	<hr/> 73,967
<u>Unemployment Compensation Trust Fund</u>			
Reserve for Unemployment Claims		22,985	93,479
		<hr/> 421,935	<hr/> 381,555

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND - REGULATORY BASIS

<u>ASSETS</u>	Ref.	Balance Dec. 31, 2010	Balance Dec. 31, 2009
Cash - Treasurer	C-2	567,237	(30,668)
Deferred Charges to Future Taxation:			
Funded	C-5	26,644,289	27,593,763
Unfunded	C-7	2,789,248	39,348
Due from Current Fund			543,992
Lumberyard Developer Loan		1,300,000	
		<u>31,300,774</u>	<u>28,146,435</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-10	2,650,000	
Serial Bonds Payable	C-9	26,644,289	27,593,763
Improvement Authorizations:			
Funded	C-8	80,213	227,051
Unfunded	C-8	1,735,729	39,348
Encumbrances Payable			108,476
Capital Improvement Fund	C-6	7	7
Due from Current Fund	A	7,728	
Reserve for:			
Education and Recreation Equipment		10,012	10,012
Collingswood Foundation for the Arts		50,000	50,000
Directional Signage		12,795	12,795
Playground Equipment		2,846	2,846
Debt Service			35
Reserve for Duplex Conversions		69,299	64,251
Fund Balance	C-1	37,856	37,851
		<u>31,300,774</u>	<u>28,146,435</u>

The accompanying notes to the financial statements are an integral part of this statement.

SCHEDULE OF FUND BALANCE

Balance December 31, 2009	<u>Ref.</u> C	37,851
Increased by:		
Improvement Authorizations Canceled	C-8	<u>5</u>
Balance December 31, 2010	C	<u><u>37,856</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

WATER UTILITY FUND

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash - Treasurer	D-5	155,192	40,962
Cash - Change Fund		50	50
Cash - Petty Cash		100	100
Due from Water Capital Fund	D	12	6
		<u>155,354</u>	<u>41,118</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-8	151,176	153,084
Water Liens	D-9	310	
		<u>151,486</u>	<u>153,084</u>
Deferred Charges:			
Deficit in Operations			87,296
Overexpenditure of Appropriation	D-4	5,340	
		<u>5,340</u>	<u>87,296</u>
Total Operating Fund		<u>312,180</u>	<u>281,498</u>
<u>Capital Fund</u>			
Cash - Treasurer	D-5	140,771	4,445
Fixed Capital	D-10	8,028,339	8,028,339
Fixed Capital Authorized and Uncompleted	D-11	1,628,867	1,628,871
Due from Current Fund			165,000
Total Capital Fund		<u>9,797,977</u>	<u>9,826,655</u>
		<u><u>10,110,157</u></u>	<u><u>10,108,153</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves	D-4:D-12	1	22,111
Encumbrances Payable	D-13	4,406	14,603
Accrued Interest on Bonds	D-15	50,476	54,495
Water Rent Overpayments		8,421	7,847
Due Sewer Operating Fund			3,523
Due Current Fund			21,000
		63,304	123,579
Reserve for Receivables		151,486	153,084
Fund Balance	D-1	97,390	4,835
Total Operating Fund		312,180	281,498
<u>Capital Fund</u>			
Serial Bonds Payable	D-18	3,503,034	3,772,678
Improvement Authorizations:			
Funded	D-17	121,691	152,934
Unfunded	D-17	128,867	128,867
Encumbrances Payable	D-13	2,560	
Capital Improvement Fund	D-14	206	206
Due Water Operating Fund	D	12	6
Reserve for Amortization		6,025,305	5,755,412
Deferred Reserve for Amortization			254
Fund Balance	D-2	16,302	16,298
Total Capital Fund		9,797,977	9,826,655
		10,110,157	10,108,153

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - WATER UTILITY FUND - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized			71,077
Rents	D-3	2,229,658	1,960,000
Additional Rents			85,301
Miscellaneous	D-3	24,823	21,108
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-12	2,096	2
Total Income		<u>2,256,577</u>	<u>2,137,488</u>
<u>Expenditures</u>			
Operating	D-4	1,569,700	1,627,047
Debt Service	D-4	418,836	381,222
Deferred Charges and Statutory Expenditures	D-4	180,496	212,433
Prior Year Refunds	D-5	330	4,082
Total Expenditures		<u>2,169,362</u>	<u>2,224,784</u>
Excess in Revenue		87,215	
Deficit in Operations			<u>87,296</u>
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year	D-4	<u>5,340</u>	
Statutory Excess to Fund Balance		92,555	
<u>Fund Balance</u>			
Balance January 1	D	4,835	75,912
		<u>97,390</u>	<u>75,912</u>
Decreased by:			
Utilization as Anticipated Revenue			71,077
Balance December 31	D	<u>97,390</u>	<u>4,835</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF FUND BALANCE - WATER CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2009	<u>Ref.</u> D	16,298
Increased by:		
Improvement Authorizations Canceled	D-17	4
Balance December 31, 2010	D	<u>16,302</u>

EXHIBIT D-3

STATEMENT OF REVENUES - WATER OPERATING FUND - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	D-3	2,093,000	2,229,658	136,658
Miscellaneous	D-3	20,000	24,823	4,823
Deficit in Operations - Current Fund	D-3	50,692		(50,692)
		<u>2,163,692</u>	<u>2,254,481</u>	<u>90,789</u>
	Ref.	D-4		

Analysis of Realized Revenue

Rents:

Consumer Accounts Receivable:

Collected	D-8	2,221,811
Overpayments Applied	D-8	7,847
		<u>2,229,658</u>

Miscellaneous:

Penalties		18,562
Copies		543
Miscellaneous		3,797
Interest on Investments		1,921
	D-3:D-5	<u>24,823</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - WATER UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended			Over- Expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	642,482	643,338	643,337		1	
Other Expenses	921,878	921,022	921,956	4,406		5,340
Debt Service:						
Payment of Bond Principal	269,644	269,644	269,644			
Interest on Bonds	149,192	149,192	149,192			
Deferred Charges:						
Deficit in Operations	87,296	87,296	87,296			
Statutory Expenditures:						
Public Employees' Retirement System	44,000	44,000	44,000			
Social Security System (O.A.S.I.)	49,200	49,200	49,200			
	<u>2,163,692</u>	<u>2,163,692</u>	<u>2,164,625</u>	<u>4,406</u>	<u>1</u>	<u>5,340</u>
Ref.	D-3			D-13	D	D
Interest on Bonds and Notes		Ref. D-15	149,192			
Deferred Charges:						
Deficit in Operations		D	87,296			
Disbursed		D-5	1,928,137			
			<u>2,164,625</u>			

The accompanying notes to the financial statements are an integral part of this statement.

SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash - Treasurer	E-5	95,075	(1,213)
Cash - Change Fund		50	50
Cash - Petty Cash		100	100
Due from Current Fund			60,000
Due from Sewer Capital Fund	E	163	6
Due from Water Operating Fund			3,523
		<u>95,388</u>	<u>62,466</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-8	3,204	2,425
Sewer Liens	E-9	504	155
		<u>3,708</u>	<u>2,580</u>
Deferred Charges:			
Deficit in Operations			14,842
Emergency Authorization	E-4	22,166	
Overexpenditure of Appropriation	E-4	4,065	
		<u>26,231</u>	<u>14,842</u>
Total Operating Fund		<u>125,327</u>	<u>79,888</u>
<u>Capital Fund</u>			
Cash - Treasurer	E-5	969,727	4,174
Fixed Capital	E-10	4,879,475	4,879,475
Fixed Capital Authorized and Uncompleted	E-11	2,631,787	2,632,039
Due from Current Fund			1,110,000
Loan Receivable - New Jersey Environmental Infrastructure Trust		726,000	18,031
Total Capital Fund		<u>9,206,989</u>	<u>8,643,719</u>
		<u>9,332,316</u>	<u>8,723,607</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves	E-4:E-12	2	13,905
Encumbrances Payable	E-13	207	7,514
Accrued Interest on Bonds	E-15	47,009	46,630
Sewer Rent Overpayments		5,889	7,377
		53,107	75,426
Reserve for Receivables		3,708	2,580
Fund Balance	E-1	68,512	1,882
		125,327	79,888
<u>Capital Fund</u>			
Serial Bonds Payable	E-18	2,212,678	2,362,559
NJ Wastewater Treatment Trust Loan	E-20	1,675,171	1,050,562
Improvement Authorizations:			
Funded	E-17	942,504	1,101,985
Unfunded	E-17	953,372	953,372
Capital Improvement Fund	E-14	12,391	12,391
Encumbrances Payable			3,406
Due Sewer Operating Fund	E	163	6
Reserve for Amortization		3,396,041	3,144,769
Deferred Reserve for Amortization			252
Fund Balance	E-2	14,669	14,417
		9,206,989	8,643,719
Total Capital Fund		9,332,316	8,723,607

The accompanying notes to the financial statements are an integral part of this statement.

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

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized			39,726
Rents	E-3	1,602,000	1,487,000
Additional Rents	E-3	113,758	115,154
Miscellaneous	E-3	9,369	25,766
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-12	10,149	4,237
Total Income		<u>1,735,276</u>	<u>1,671,883</u>
<u>Expenditures</u>			
Operating	E-4	1,221,220	1,153,967
Debt Service	E-4	372,046	319,159
Deferred Charges and Statutory Expenditures	E-4	101,611	213,600
Total Expenditures		<u>1,694,877</u>	<u>1,686,726</u>
Excess in Revenue		<u>40,399</u>	
Deficit in Operations	E		<u>14,842</u>
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year	E-4	26,231	
Statutory Excess to Fund Balance		66,630	
<u>Fund Balance</u>			
Balance January 1	E	1,882	41,608
		68,512	41,608
Decreased by:			
Utilization as Anticipated Revenue			39,726
Balance December 31	E	<u>68,512</u>	<u>1,882</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF FUND BALANCE - SEWER CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2009	<u>Ref.</u> E	14,417
Increased by:		
Improvement Authorizations Canceled	E-17	252
Balance December 31, 2010	E	<u>14,669</u>

STATEMENT OF REVENUES - SEWER OPERATING FUND - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	E-3	1,602,000	1,602,000	
Additional Rents	E-3	68,346	113,758	45,412
		<u>1,670,346</u>	<u>1,715,758</u>	<u>45,412</u>
	<u>Ref.</u>	<u>E-4</u>		

Analysis of Realized Revenue

Rents:			
Consumer Accounts Receivable:			
Collected	E-8	1,708,381	
Overpayments Applied	E-8	7,377	
		<u>1,715,758</u>	
Miscellaneous:			
Penalties		7,647	
Miscellaneous		88	
Interest on Investments		1,634	
	E-5	<u>9,369</u>	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - SEWER UTILITY FUND - REGULATORY BASIS

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled	Over- Expended
	Budget	Budget After Modifications		Encumbered	Reserved		
Operating:							
Salaries & Wages	719,863	726,478	726,477		1		
Other Expenses	496,961	490,677	494,535	207			4,065
Debt Service:							
Payment of Bond Principal	149,881	149,881	149,881				
Payment of Loan Principal	82,883	82,883	82,883				
Interest on Bonds	90,256	90,256	90,256				
Interest on Loans	28,560	50,726	49,026			1,700	
Statutory Expenditures:							
Public Employees' Retirement System	32,000	32,000	32,000				
Social Security System (O.A.S.I.)	55,100	54,769	54,768		1		
Deferred Charges:							
Deficit in Operations	14,842	14,842	14,842				
	<u>1,670,346</u>	<u>1,692,512</u>	<u>1,694,668</u>	<u>207</u>	<u>2</u>	<u>1,700</u>	<u>4,065</u>
Ref.	E-3			E-13	E		E
Budget	Ref. E-3	1,670,346					
Emergency Authorization	E	22,166					
		<u>1,692,512</u>					
Interest on Bonds and Notes		Ref. E-15	139,282				
Deferred Charges:							
Deficit in Operations			14,842				
Disbursed		E-5	1,540,544				
			<u>1,694,668</u>				

The accompanying notes to the financial statements are an integral part of this statement.

PARKING UTILITY FUND

COMPARATIVE BALANCE SHEET - PARKING UTILITY FUND - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash	F-4	69,897	(30,201)
Due Current Fund			112,600
		<u>69,897</u>	<u>82,399</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Appropriation Reserve	F-3:F-6	21,717	22,604
Encumbrances Payable	F-3	280	37,040
Due Current Fund	A	1,586	
Fund Balance	F-1	46,314	22,755
		<u>69,897</u>	<u>82,399</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - PARKING UTILITY FUND - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Surplus Anticipated	F-2	3,286	55,203
Parking Meter	F-2	49,140	45,253
Miscellaneous Revenue Not Anticipated	F-2	311	1,619
Other Credits to Income:			
Unexpended Balance of Appropriation Reserve	F-6	22,604	24,280
Encumbrances Payable - Canceled	F-7	40	
Total Income		75,381	126,355
<u>Expenditures</u>			
Operating	F-3	46,436	87,655
Deferred Charges and Statutory Expenditures	F-3	2,100	17,548
		48,536	105,203
Excess in Revenue		26,845	21,152
<u>Fund Balance</u>			
Balance January 1	F	22,755	56,806
		49,600	77,958
Decreased by:			
Utilization as Anticipated Revenue	F-1	3,286	55,203
Balance December 31	F	46,314	22,755

STATEMENT OF REVENUES - PARKING UTILITY FUND - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	F-1	3,286	3,286	
Parking Meter	F-4	45,250	49,140	3,890
		48,536	52,426	3,890
	Ref. F-3			
Miscellaneous:				
Interest on Investments	F-4		311	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - PARKING UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended		
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salary & Wages	26,436	26,436	20,740		5,696
Other Expenses	20,000	20,000	4,212	280	15,508
Statutory Expenditures:					
Social Security	2,100	2,100	1,587		513
	<u>48,536</u>	<u>48,536</u>	<u>26,539</u>	<u>280</u>	<u>21,717</u>
Ref.	F-2			F-7	F
		<u>Ref.</u>			
Due Current Fund			22,326		
Disbursed		F-4	4,213		
			<u>26,539</u>		

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL FIXED ASSETS

STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS

<u>ASSETS</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
General Fixed Assets:		
Buildings	27,505,891	27,505,891
Land	784,275	784,275
Infrastructure	10,831,209	10,695,667
Machinery & Equipment	3,240,364	3,262,506
Vehicles	4,416,845	4,480,449
	<u>46,778,584</u>	<u>46,728,788</u>
Investment in General Fixed Assets	<u>46,778,584</u>	<u>46,728,788</u>

The accompanying notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Collingswood was incorporated in 1888 and is located in Camden County, New Jersey.

The Borough has an elected Mayor and two elected Commissioners with elections every four years. The Borough is managed daily by the Borough Administrator.

Except as noted below, the financial statements of Borough of Collingswood included every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Collingswood, as required by N.J.S.A. 40A:5-5.

Component units are legally separate organizations for which the Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Borough is obligated for debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of the taxes. The financial statements of the component units of the Borough of Collingswood are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASB's No. 14 had been complied with, the financial statements of the following component units would have been blended or discretely presented with the financial statements of the Borough, the primary government:

Collingswood Free Public Library
771 Haddon Avenue
Collingswood, New Jersey 08108

Collingswood Special Improvement District
678 Haddon Avenue
Collingswood, NJ 08108

B. Description of Funds and Account Groups

The accounting policies of the Borough of Collingswood conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough of Collingswood accounts for its transactions through the following separate funds, which differ from the funds required by G.A.A.P.

Current Fund – Resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Fund – Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds and Account Groups (Continued)

General Capital Fund – Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. In addition, the fund is used to track the status of debt authorized for capital projects.

Water & Sewer Operating and Capital Funds – Account for the operations and acquisition of capital facilities of the municipally-owned Water & Sewer Utility.

Parking Operating and Capital Funds – Account for the operations to preserve, care for, layout, construct, maintain improve and operate lands, and facilities used for the provision of public parking and enforcement.

General Fixed Assets – To account for fixed assets used in governmental operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities in the State of New Jersey differ in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant policies in New Jersey will follow.

A modified accrual basis of accounting is followed with minor exceptions. The more significant accounting principles are as follows:

Revenues – are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Borough budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. This method of revenue recognition differs from accounting principles generally accepted in the United States of America which recognizes revenue in the accounting period in which it is earned net of allowances for doubtful accounts.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital is on the cash basis and utility capital is on the accrual basis. This method differs from accounting principles generally accepted in the United States of

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures – (Continued)

America which requires that expenditures be recorded when services are rendered or goods are received. Under accounting principles generally accepted in the United States of America, appropriation reserves do not exist and encumbrances do not constitute expenditures.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Under accounting principles generally accepted in the United States of America, foreclosed property would be recorded at historical cost and no reserve would be provided.

Interfunds – Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. Under accounting principles generally accepted in the United States of America, inter-funds are not reserved.

Inventories of Supplies – The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. Under accounting principles generally accepted in the United States of America inventory would be recorded as an asset on the balance sheet.

Proprietary Fund – Cash Flow Statement – In accordance with the reporting requirements of the Division of Local Government Services, the utility funds' financial statements do not include a statement of cash flows.

General Fixed Assets – In accordance with N.J.A.C. 5:30-5.6 accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough has developed a fixed assets accounting and reporting system.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

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

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value on the date of acquisition. The Borough capitalizes fixed assets with an original cost in excess of \$5,000.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

No depreciation has been provided for in the financial statements.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – (Continued)

Fixed assets acquired through grants in aid or contributed capital, have not been accounted for separately.

Property and equipment purchased by the Water & Sewer Utility Fund is recorded in the respective capital account at cost and are adjusted for dispositions and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balances in Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represent charges to operations for the costs of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

General Long Term Debt – General Long Term Debt is accounted for in the General Capital and Sewer Utility Capital Fund. Accounting principles generally accepted in the United States of America require General Long Term Debt to be accounted for in the General Long Term Debt Account Group.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or the regulatory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property Taxes – The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August and November. Any taxes that have not been paid by the 11th day of the 11th month in the year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with N.J.S.A. 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county. The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough from those taxes not paid. The minimum amount of the reserve is determined by the percentage of collections experienced in the preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. Under accounting principles generally accepted in the United States of America, a "Reserve for Uncollected Taxes" would not be an appropriation.

Interest on Delinquent Taxes – It is the policy of the Borough to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Capitalization of Interest – It is the policy of the Borough to treat interest on projects as a current expense and the interest is included in the Operating budget of the Water Capital Fund and Sewer Capital Fund.

D. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Borough's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2: BUDGETARY INFORMATION

The Borough must adopt an annual budget in accordance with N.J.S.A. 40A:4 et. al. This budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. This protects the Borough from taxes not paid currently. Once approved, the Borough may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per N.J.S.A. 40A:4-46 and 54. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety or welfare prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. Budget transfers between appropriation accounts are prohibited until the last two months of the year. Budget transfers during the year were not significant. After approval from the Director, the Borough can also make amendments for any special item of revenue made available by any public or private funding source as per N.J.S.A. 40A:4-87. The following budget amendments were approved as follows:

Current Fund:

Special Item of Revenue:

Pedestrian Decoy Grant	1,000
Byrne Memorial Justice Grant	7,832
Police Body Armor	2,865

Emergency Authorization:

Police Salaries & Wages	190,514
Social Security	3,155
Interest on Notes	11,365
	<u>216,731</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 3: CASH

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be able to recover the value of its deposits or investments. Deposits are considered to be exposed to custodial credit risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. The municipality's policy is based on New Jersey Statutes requiring cash to be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (G.U.D.P.A.) or in qualified investments established in New Jersey Statutes N.J.S.A. 40A:5-15.1(a) that are treated as cash equivalents. At December 31, 2010 and 2009, the carrying amount of the Borough's deposits was \$3,665,030 and \$3,941,898, respectively. As of December 31, 2010 and 2009, \$0 of the municipality's bank balance of \$3,774,472 and \$2,897,445, respectively, was exposed to custodial credit risk.

NOTE 4: INVESTMENTS

As of December 31, 2010 and 2009, the Borough did not have any investments.

Interest Rate Risk - The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes N.J.S.A. 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk - New Jersey Statutes N.J.S.A. 40A:5-15.1(a) limits municipal investments to those specified in the statutes. The type of allowable investments are Bonds or other obligations of the United States or obligations guaranteed by the United States, Bonds or other obligations of the Borough or bonds or other obligations of the Borough school district, Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units, government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The Borough places no limit on the amount the Borough may invest in any one issuer.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 5: FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance</u> <u>December 31</u>	<u>Utilized in</u> <u>Budget of</u> <u>Succeeding</u> <u>Year</u>
Current Fund	2010	1,072,378	286,495 a
	2009	1,221,033	576,489
	2008	1,930,380	709,347
	2007	2,884,115	953,726
	2006	4,991,090	2,653,401
Water Operating Fund	2010	97,390	None a
	2009	4,835	None
	2008	75,912	71,022
	2007	219,773	203,145
	2006	145,331	127,837
Sewer Operating Fund	2010	68,512	None a
	2009	1,882	None
	2008	41,608	39,726
	2007	94,186	85,764
	2006	82,846	59,716
Parking Utility	2010	46,314	31,027 a
	2009	22,755	3,286
	2008	56,805	55,203
	2007	25,855	25,295
	2006	45,820	41,850

a - The 2011 budget has not been adopted as of this date and therefore, this amount is subject to change.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 6: ACCUMULATED ABSENCE BENEFITS

All employees are granted sick and vacation benefits in varying amounts depending on their length of service with the Borough.

The Borough has entered into a duly negotiated and approved labor agreement with the FMBA #108, FOP Lodge #76 and Teamsters in regards to accumulated absence benefits. The Borough also has local personnel policy that covers all non-union personnel. The Borough has not appropriated anything in their budget to fund a reserve for accumulated absences.

SICK DAYS:

Police Superiors - Individuals covered under the Police Superiors' Contract may accrue nine (9) sick leave days per year. A Superior Officer may apply his unused accumulated sick leave time to early retirement, or he/she may receive 100% of his accumulated sick leave as additional severance pay.

Police Officers - Individuals covered under the Police Officers' Association may accrue seven (7) leave days per year. Upon separation, death or retirement a Police Officer will receive all accumulated days.

Fire Officers – Individual covered under the Fire Officers' Association may accrue seven (7) leave days per year. Upon separation, death or retirement a Fire Officer will receive all accumulated days.

Firefighters - Individual covered under the Firefighters' Association may accrue seven (7) leave days per year. Upon separation, death or retirement a Fire Officer will receive all accumulated days.

Teamsters – Individuals covered under the Teamsters agreement are granted fifteen (15) leave days per year. Any employee who has been vested in the State Pension Plan, upon termination will be entitled to buy back 100% of the employee's accumulated sick days, maximum bank of seventy-five (75) days, at the employee's regular rate of pay. The only exception is if the employee has been dismissed due to any type of disciplinary action. Annually, all employees who have accumulated and maintain fifty (50) sick days shall be entitled to buy back annually those days not used in the calendar year at the following rates: 2008 – 70%, 2009 – 80%, 2010 – 100%.

Non-Union – Individuals who are not covered under any of the above agreements are granted fifteen (15) leave days per year. Any amount of sick leave allowance not used in any calendar year shall accumulate to the employee's credit from year to year to a total of no more than fifty (50) days to be used if and when needed for such purpose, except that where an employee is employed by the Borough more than ten years. Annually, all employees who have accumulated and maintain fifty (50) sick days, shall be entitled to buy back annually those days not used in the calendar year at a rate of fifty (50%). Employees have the option to buy all sick days in that calendar year or they may bank them all or do a combination of both. Any employee who has been vested in the State Pension Plan, upon termination will be entitled to buy back fifty (50%) of the employees' accumulated sick days, maximum bank of fifty-five (55) days, at the employee's regular rate of pay.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 6: ACCUMULATED ABSENCE BENEFITS (CONTINUED)

Borough employees may carry unused vacation days forward one year if due to the “pressure of work.”

The total value of compensated absences, owed to employees, as of December 31, 2010, and 2009, under the various agreements are as follows:

	Value <u>12/31/2010</u>	Value <u>12/31/2009</u>
FMBA #108	246,519	215,825
FOP Lodge #76	579,809	581,443
Teamsters	162,386	103,877
Non-union	<u>156,118</u>	<u>286,672</u>
	<u><u>1,144,832</u></u>	<u><u>1,187,817</u></u>

NOTE 7: FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2010.

	Balance <u>Dec. 31, 2009</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2010</u>
Buildings	27,505,891			27,505,891
Land	784,275			784,275
Infrastructure	10,695,667	135,542		10,831,209
Machinery & Equipment	3,262,506		22,142	3,240,364
Vehicles	4,480,449		63,604	4,416,845
	<u>46,728,788</u>	<u>135,542</u>	<u>85,746</u>	<u><u>46,778,584</u></u>

NOTE 8: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. The following is a comparison of the liability for the previous two years:

	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Prepaid Taxes - Cash Liability	<u>101,677</u>	<u>132,102</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 9: INTERFUND RECEIVABLES AND PAYABLES

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2010.

	Due From	Due To
Current Fund		
Animal Control Trust Fund	1	
Tax Sale Trust	205	
Trust Other	2,833	
Parking Utility	1,586	
General Capital Fund	7,728	
Unemployment Trust Fund		579
Trust Other		
Current Fund		2,833
Animal Control Trust Fund		
Current Fund		1
Parking Utility		
Current Fund		1,586
Unemployment Trust Fund		
Current Fund	579	
General Capital Fund		
Current Fund		7,728
Tax Sale Trust		
Current Fund		205
Water Operating Fund		
Water Capital Fund	12	
Water Capital Fund		
Water Operating Fund		12
Sewer Operating Fund		
Sewer Capital Fund	163	
Sewer Capital Fund		
Sewer Operating Fund		163
	13,107	13,107

All of the interfunds except General Capital Fund and Parking Utility are for interest earned in December but not transferred until January. The General Capital Fund and Parking Utility are the result of items being paid out of Current Fund that should have been paid out of the General Capital Fund and Parking Utility.

NOTE 10: ECONOMIC DEPENDENCY

The Borough of Collingswood is not economically dependent on any one business or industry within the Borough.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 11: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charges are shown on the balance sheets of the various funds.

	Balance Dec. 31, 2010	2011 Budget Appropriation	Budgets of Succeeding Years
Current Fund:			
Emergency Authorization	205,034	205,034	
Special Emergency	156,035	78,017	78,018
Overexpenditure of an Appropriation	146	146	
Animal Control Trust Fund			
Deficit in Operations	19	19	
Water Operating Fund:			
Overexpenditure of an Appropriation	5,340	5,340	
Sewer Operating Fund:			
Emergency Authorization	22,166	22,166	
Overexpenditure of an Appropriation	4,065	4,065	
Trust Other			
Expenditure Without Appropriation	700	700	
Federal and State Grant Fund:			
Grant Expenditures Without Appropriation	4,000	4,000	
Overexpenditure of a Grant	45,354	45,354	
	<u>442,859</u>	<u>364,841</u>	<u>78,018</u>

NOTE 12: LONG-TERM DEBT

Summary of Municipal Debt Service

Long-term debt as of December 31, 2010 consisted of the following:

	Year 2010	Year 2009	Year 2008
Bonds, Notes and Loans Issued	50,061,189	34,779,562	35,644,486
Bonds and Notes Authorized but not Issued	1,795,487	1,121,587	491,587
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>51,856,676</u>	<u>35,901,149</u>	<u>36,136,073</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Issued/</u> <u>Authorized</u>	<u>Retired/</u> <u>Reduction</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>ISSUED:</u>				
General:				
General Serial Bonds	27,593,763		949,474	26,644,289
Bond Anticipation Notes		2,650,000		2,650,000
Water:				
Serial Bonds	3,772,678		226,644	3,546,034
Sewer:				
Serial Bonds	2,362,559		149,881	2,212,678
NJ Infrastructure Loan	1,050,562	726,000	101,391	1,675,171
Net Debt Issued	<u>34,779,562</u>	<u>3,376,000</u>	<u>1,427,390</u>	<u>36,728,172</u>
<u>AUTHORIZED BUT NOT ISSUED:</u>				
General:				
Bond Anticipation Notes	39,348	4,050,000	2,650,100	1,439,248
Water:				
Bond Anticipation Notes	128,867			128,867
Sewer:				
Bond Anticipation Notes	953,372		726,000	227,372
Authorized but not Issued	<u>1,121,587</u>	<u>4,050,000</u>	<u>3,376,100</u>	<u>1,795,487</u>
Total Debt Issued and Authorized but not Issued	<u>35,901,149</u>	<u>7,426,000</u>	<u>4,803,490</u>	<u>38,523,659</u>

\$1,050,000 Department of Environmental Infrastructure Loan dated November 9, 2000, payable in semi-annual installments through August 2020. The loan consists of \$530,000 trust loan and \$520,000 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 5%-5.25% per annum. New Jersey Environmental Infrastructure Trust refunded this loan on June 20, 2006 saving the Borough \$25,542.38 in interest costs. These savings are applied as credits to payments. The balance remaining at December 31, 2010 was \$606,709.

\$573,513 Department of Environmental Infrastructure Loan dated November 8, 2001, payable in semi-annual installments through August 2021. The loan consists of \$280,000 trust loan and \$293,513 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 4%-5.25% per annum. The balance remaining at December 31, 2010 was \$360,970.

\$726,000 Department of Environmental Infrastructure Loan dated March 10, 2010, payable in semi-annual installments through August 2029. The loan consists of \$180,000 trust loan and \$546,000 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 3%-5% per annum. The balance remaining at December 31, 2010 was \$707,492.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$1,640,000 General Improvement Bonds dated August 1, 1993 payable in annual installments through August 1, 2013. Interest is paid semi-annually at a rate of 5.1% - 5.3% per annum. The balance remaining as of December 31, 2010 was \$335,289.

\$2,100,000 General Improvement Bonds taxable bonds dated October 1, 1998 payable in annual installments through October 1, 2023. Interest is paid semi-annually at a rate of 5.9% - 6.1% per annum. The balance remaining as of December 31, 2010 was \$1,300,000.

\$1,300,000 CCIA Revenue Bonds dated September 1, 1999 payable in annual installments through September 1, 2019. Interest is paid semi-annually at a rate of 5.85% per annum. The balance remaining as of December 31, 2010 was \$740,000.

\$3,205,000 General Improvement Bonds dated December 4, 2002 payable in annual installments through November 15, 2022. Interest is paid semi-annually at a rate of 2.0% - 5.125% per annum. The balance remaining as of December 31, 2010 was \$2,195,000.

\$3,537,000 General Improvement Bonds dated February 1, 2008 payable in annual installments through February 1, 2021. Interest is paid semi-annually at a rate of 3.0% - 4.0% per annum. The balance remaining as of December 31, 2010 was \$3,537,000.

\$4,935,000 General Improvement Bonds taxable bonds dated February 1, 2008 payable in annual installments through February 1, 2016. Interest is paid semi-annually at a rate of 4.25% - 5.0% per annum. The balance remaining as of December 31, 2010 was \$4,160,000.

\$11,153,000 General Improvement Bonds dated June 1, 2009 payable in annual installments through June 1, 2029. Interest is paid semi-annually at a rate of 4.375% - 4.5% per annum. The balance remaining as of December 31, 2010 was \$11,153,000.

\$3,224,000 General Improvement Bonds taxable bonds dated June 1, 2009 payable in annual installments through June 1, 2029. Interest is paid semi-annually at a rate of 5.75% - 6.25% per annum. The balance remaining as of December 31, 2010 was \$3,224,000.

\$1,470,000 Water Utility Bonds dated August 1, 1993 payable in annual installments through August 1, 2013. Interest is paid semi-annually at a rate of 5.1% - 5.3% per annum. The balance remaining as of December 31, 2010 was \$300,534.

\$1,090,000 Water Utility Bonds dated October 1, 1998 payable in annual installments through October 1, 2018. Interest is paid semi-annually at a rate of 4.3% - 4.55% per annum. The balance remaining as of December 31, 2010 was \$560,000.

\$558,000 Water Utility Bonds dated December 4, 2002 payable in annual installments through November 15, 2022. Interest is paid semi-annually at a rate of 2.0% - 5.125% per annum. The balance remaining as of December 31, 2010 was \$383,000.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$2,420,500 Water Utility Bonds dated February 1, 2008 payable in annual installments through February 1, 2028. Interest is paid semi-annually at a rate of 3% - 4% per annum. The balance remaining as of December 31, 2010 was \$2,302,500.

\$265,000 Sewer Utility Bonds dated August 1, 1993 payable in annual installments through August 1, 2013. Interest is paid semi-annually at a rate of 5.1% - 5.3% per annum. The balance remaining as of December 31, 2010 was \$54,178.

\$1,135,000 Sewer Utility Bonds dated October 1, 1998 payable in annual installments through October 1, 2018. Interest is paid semi-annually at a rate of 4.3% - 4.55% per annum. The balance remaining as of December 31, 2010 was \$560,000.

\$1,712,500 Sewer Utility Bonds dated February 1, 2008 payable in annual installments through February 1, 2028. Interest is paid semi-annually at a rate of 3% - 4% per annum. The balance remaining as of December 31, 2010 was \$1,598,500.

As of December 31, 2010, debt service requirements on long-term debt in future years are:

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Current			
2011	1,241,763	1,241,716	2,483,479
2012	1,296,763	1,181,156	2,477,919
2013	1,356,763	1,117,159	2,473,922
2014	1,425,000	1,046,514	2,471,514
2015	1,485,000	976,965	2,461,965
2016-2020	8,367,000	3,765,637	12,132,637
2021-2025	6,340,000	1,945,626	8,285,626
2026-2029	5,132,000	514,497	5,646,497
	<u>26,644,289</u>	<u>11,789,270</u>	<u>38,433,559</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Water			
2011	300,178	142,004	442,182
2012	304,178	129,024	433,202
2013	308,178	115,846	424,024
2014	168,000	103,201	271,201
2015	172,000	96,713	268,713
2016-2020	958,000	361,774	1,319,774
2021-2025	785,000	180,272	965,272
2026-2028	507,500	31,070	538,570
	<u>3,503,034</u>	<u>1,159,904</u>	<u>4,662,938</u>

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Sewer			
2011	163,059	86,395	249,454
2012	165,059	79,967	245,026
2013	167,060	73,465	240,525
2014	120,000	67,401	187,401
2015	122,000	62,699	184,699
2016-2020	619,000	256,621	875,621
2021-2025	499,000	142,780	641,780
2026-2028	357,500	38,330	395,830
	<u>2,212,678</u>	<u>807,658</u>	<u>3,020,336</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

Year Ended December	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
NJEIT Loan			
Sewer			
2011	114,361	35,050	149,411
2012	121,080	32,775	153,855
2013	119,645	30,200	149,845
2014	118,211	27,625	145,836
2015	129,828	25,125	154,953
2016-2020	688,634	76,519	765,153
2021-2025	222,363	16,600	238,963
2026-2029	161,049	5,350	166,399
	<u>1,675,171</u>	<u>249,244</u>	<u>1,924,415</u>

There is \$726,000 that has not been drawn down from the 2010 Series.

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.74%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	19,326,000	19,326,000	
Water Debt	3,631,901	3,631,901	
Sewer Debt	4,115,221	4,115,221	
General Debt	30,733,637	740,000	29,993,637
	<u>57,806,759</u>	<u>27,813,122</u>	<u>29,993,637</u>

Net Debt \$29,993,637/Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended
 \$1,096,115,161 = 2.74%

Borrowing Power Under N.J.S.A. 40:A2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	38,364,031
Net Debt	<u>29,993,637</u>
Remaining Borrowing Power	<u>8,370,394</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 12: LONG-TERM DEBT (CONTINUED)

Summary of Statutory Debt Condition – Annual Debt Statement (Continued)

Calculation of “Self-Liquidating Purpose” Water Utility per N.J.S.A. 40:2-45

Cash Receipts from fees, rents, or other charges		2,254,481
Deductions:		
Operating and Maintenance Costs	1,662,900	
Debt Service per Water & Sewer Account	418,836	
		2,081,736
Excess in Revenue		172,745

Calculation of “Self-Liquidating Purpose” Sewer Utility per N.J.S.A. 40:2-45

Cash Receipts from fees, rents, or other charges		1,725,127
Deductions:		
Operating and Maintenance Costs	1,318,766	
Debt Service per Water & Sewer Account	372,046	
		1,690,812
Excess in Revenue		34,315

Calculation of “Self-Liquidating Purpose” Parking Utility per N.J.S.A. 40:2-45

Cash Receipts from fees, rents, or other charges		52,737
Deductions:		
Operating and Maintenance Costs	48,536	
Excess in Revenue		4,201

NOTE 13: PENSION FUNDS

Description of Plans - All eligible employees of the Borough are covered by the Public Employees' Retirement System, (P.E.R.S.), a cost-sharing multiple-employer defined benefit pension plan which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System. The reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625 or can be accessed on the internet at http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Public Employees' Retirement System (P.E.R.S.) - The Public Employees' Retirement System (P.E.R.S.) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 13: PENSION FUNDS (CONTINUED)

Public Employees' Retirement System (P.E.R.S.) – (Continued)

Membership is generally required for substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another state-administered retirement system or other state or local jurisdiction.

Police and Firemen's Retirement System (P.F.R.S.) – The Police and Firemen's Retirement System was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full-time county or municipal police and fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions in law enforcement or fire fighting in the State of New Jersey. Members are eligible for retirement at age fifty-five with a benefit equal to two percent of final compensation for each year of creditable service up to twenty years. Members with at least twenty years but less than twenty-five years of service credit will receive fifty percent of final compensation. Special retirement is available at any age to those with twenty-five years of service credit. The annual benefit calculation is equal to sixty-five percent of final compensation plus one percent for each year of creditable service over twenty five years but not to exceed thirty years.

Funding Policy - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and N.J.S.A. 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. P.E.R.S. and P.F.R.S. provide for employee contributions of 5.5% and 8.5% of employees' annual compensation respectively, as defined. Employers are required to contribute at an actuarially determined rate in P.E.R.S. and P.F.R.S. The P.E.R.S. and P.F.R.S. rates in effect for 2010 are 8.95% and 25.88% of covered payroll, respectively, as reported on June 30, 2008. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The Borough's contributions to P.E.R.S. for the years ending December 31, 2010, 2009 and 2008 were \$282,018, \$136,358, and \$167,624 respectively, equal to the required contributions for each year. The Borough's contributions to P.F.R.S for the years ending December 31, 2010, 2009 and 2008 were \$905,760, \$433,971, and \$497,377 respectively, equal to the required contributions for each year.

Pension Deferral – On May 4, 2009, the Borough adopted a resolution requesting approval by the Local Finance Board of pension deferral pursuant to N.J.S.A. 43:15A-24(c) and N.J.S.A. 43:16A-15(9). This was approved on June 30, 2009, as follows: P.E.R.S. amount deferred \$99,284 and P.F.R.S. – Police \$280,692 and Fire \$120,301 for a total of \$500,277. This amount will be repaid starting in April 2012 over a 15 year period. The amount will fluctuate based on pension system investments earnings on the deferred amount.

Defined Contribution Retirement Program (D.C.R.P.) - The Borough established Defined Contribution Retirement Program by ordinance on September 2, 2008 as required by Chapter 92 of the Laws of 2007 and N.J.S.A. 43:15C-1 et. seq. D.C.R.P. provides for employee contributions of 5.5% of employees' annual base salary. Employers are required to contribute 3% of the employees' base salary.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 14: RISK MANAGEMENT

The Borough is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Borough maintains commercial insurance coverage for property, liability and surety bonds. The Borough of Collingswood is a member of the Camden County Municipal Joint Insurance Fund and the Municipal Excess Liability Fund which includes other municipalities throughout the region. The Borough is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Camden County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. There have not been any claims in excess of coverage and no reduction in coverage during the year 2010.

New Jersey Unemployment Compensation Insurance

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

Year	Interest Earnings	Employee Contributions	Amount Reimbursed
2010	1,896	11,561	82,414
2009	2,083	12,425	41,242
2008	2,794	11,371	9,379

NOTE 15: LABOR CONTRACTS

As of December 31, 2010, the Borough's employees are organized in the following collective bargaining units. Contracts are continually being negotiated and the following table shows their current status.

	Category	Expiration	Covers
Teamsters Local 830	Public Works, Clerical	12/31/2010	All employees in public works and clerical workers excluding supervisors
FOP Lodge #76	Police	12/31/2010	All uniformed police excluding officers.
FOP Lodge #76	Police	12/31/2010	Superior Officers
FMBA Local 108	Fire	12/31/2010	All uniformed fire fighters excluding officers.
FMBA Local 108A	Fire	12/31/2010	Fire Officers

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 16: JOINT VENTURE

On April 3, 2006, the Borough of Collingswood entered into an Interlocal agreement with the Borough of Woodlynne to provide police protection effective July 3, 2006. Total expenditures for compensation and expenses for each year are allocated between the municipalities. Fees are billed to the Borough of Woodlynne on a quarterly basis. This Agreement was terminated on October 2, 2010.

On January 8, 2007, the Borough of Collingswood entered into an Interlocal agreement with the Borough of Woodlynne to establish the Borough of Collingswood Joint Court effective April 1, 2007. Total expenditures for compensation and expenses for each year are allocated between the municipalities. Fees are billed to the Borough of Woodlynne on a quarterly basis. All fees collected shall be paid over to the municipality in which the complaint/ticket arose. This Agreement was terminated on October 29, 2010.

The Borough of Collingswood entered into a joint venture agreement with the Borough of Woodlynne and Merchantville to provide construction code services. The agreement with Merchantville was approved on July 1, 2002.

On November 6, 2007, the Borough of Collingswood entered into a joint venture agreement with the Haddon Borough Fire District #2 to provide fire protection services, effective January 1, 2008. Total expenditures for compensation and benefits are billed annually at an agreed upon amount.

On May 3, 2010, the Borough of Collingswood entered into a joint venture agreement with the Borough of Oaklyn to provide construction code services for electrical and plumbing.

NOTE 17: DEFERRED COMPENSATION

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All assets of the plan are held by an independent administrator, Variable Annual Life Insurance Company and Nationwide Retirement Solutions.

NOTE 18: LOAN TO REDEVELOPER

On August 4, 2003, the Borough of Collingswood adopted ordinance 1322 providing for a \$5,000,000 loan to a redeveloper for improvements to Scottish Rite Auditorium pursuant to Section 37 of the Local Redevelopment and Housing Law N.J.S.A. 40A:12A-1 et. seq. This loan was to the Collingswood Foundation for the Arts, a New Jersey non-profit corporation, for the purpose of renovations of the Scottish Rite Auditorium as a performing arts and community theater center. The amount owed to the Borough of Collingswood as of December 31, 2010 and 2009 is \$4,992,466.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 19: GUARANTEE OF THIRD PARTY INDEBTEDNESS (N.J.S.A. 40A:12A-67(f))

Lumberyard

As of December 31, 2010, the Borough of Collingswood is contingently liable as a guarantor Lumberyard Redevelopment LLC with respect to not less than 25% of the construction loan of \$18,000,000 or an amount not less than \$4,500,000 of Lumberyard Redevelopment LLC. If the Lumberyard is delinquent on its debt payment, the Borough will be obligated to perform under the guarantee by making the required payments, including late fees and penalties. The Borough has not been required to make any payments in 2010 or 2009. The maximum potential amount of future payments the Borough is required to make under the guarantee is \$4,500,000. This guarantee is in accordance with N.J.S.A. 40A:12A-67(f). The Borough has not been required to make any payments on this loan.

During 2010 the Borough authorized debt with the passage of bond ordinances 1480 and 1486 which provides funding for the Lumberyard Project. As of December 31, 2010 there is a Loan Receivable from the Developer for \$1,300,000.

Duplex Conversion Project

The Borough of Collingswood is contingently liable as a guarantor with respect to duplex conversion loans for residents of the Borough. The Borough has agreed to make all interest payments for the first year. The amount the Borough is contingently liable as of December 31, 2010, is approximately \$2,617,791. One of the residents is currently in default on the loan. The Borough has contacted the mortgage company and lien holder to bring the loan current. The Borough made payments on this loan amounting to \$2,997 during 2010.

Collingswood Partners, Inc.

The Borough of Collingswood is contingently liable as a guarantor with respect to the New Jersey Department of Community Affairs program Downtown Business Improvement Loan Fund in an amount not exceeding \$500,000. This is a fifteen year loan at 0% interest. This loan was for funding of the Lumberyard project. The Borough paid \$33,000 during 2010 and 2009 towards the loan. The loan balance at December 31, 2010 and 2009 is \$401,000 and \$434,000 respectively.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 20: PROPERTY TAX INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate without Special Improvement District	2.8520	2.6210	2.4590
Tax Rate with Special Improvement District	2.8680	2.6400	2.5980
Apportionment of Tax Rate			
Municipal	0.846	0.722	0.653
County	0.649	0.593	0.578
County Open Space		0.022	0.021
Local School	1.357	1.284	1.207
Special Improvement District	0.016	0.019	0.139
Assessed Valuation	1,076,628,694	1,079,901,363	1,087,721,362 *

*Revaluation

COMPARISON OF TAX LEVIES AND COLLECTIONS CURRENTLY

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Levy	30,978,786	28,568,233	26,987,455
Cash Collections	30,926,616	28,510,401	26,894,562
Percentage of Collections	99.83%	99.80%	99.66%

DELINQUENT TAXES AND TAX TITLE LIENS

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Amount of Tax Title Liens	30,915	11,959	7,743
Delinquent Taxes	8,322	32,766	11,665
Total Delinquent	39,237	44,725	19,408
Percentage of Tax Levy	0.13%	0.16%	0.07%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Property Acquired for Taxes (Assessed Valuation)	79,975	149,975	149,975

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 21: WATER AND SEWER RENT INFORMATION

WATER	<u>2010</u>	<u>2009</u>	<u>2008</u>
Balance January 1	153,084	118,327	97,697
Levy	2,231,440	2,082,811	1,982,112
Cash Collections	2,229,658	2,045,301	1,960,654
Percentage of Collections	93.51%	92.92%	94.27%
SEWER			
Balance January 1	2,580	2,670	1,911
Levy	1,716,941	1,602,598	1,489,395
Cash Collections	1,715,758	1,602,154	1,487,121
Percentage of Collections	99.78%	99.81%	99.72%

NOTE 22: POST-EMPLOYMENT HEALTHCARE PLAN

Plan Description – Borough of Collingswood, New Jersey Post-employment Healthcare Benefit Plan is a single-employer defined benefit healthcare plan administered by Amerihealth. Amerihealth provides fully-insured medical and prescription drug coverage to eligible retirees and their spouses.

Funding Policy – The contribution requirements of the Borough are established by negotiated labor contracts. The required contribution is based on projected-pay-as-you-go financing requirements. For calendar year 2010, the Borough's contribution was \$436 to the plan for current premiums. Plan members receiving benefits are not required to make contributions.

Annual O.P.E.B. Cost and Net O.P.E.B. Obligation - The Borough's annual other postemployment benefit (O.P.E.B.) cost (expense) is calculated based on the *annual required contribution of the employer (A.R.C.)*, an amount actuarially determined in accordance with the parameters of G.A.S.B. Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Borough's annual O.P.E.B. cost for the year, the amount actually contributed to the plan, and changes in the Borough's net O.P.E.B. obligation to Amerihealth (dollar amounts in thousands):

Annual Required Contribution (thousands)	\$3,063
Interest on Net O.P.E.B. Obligation	\$ 0
Adjustment to Annual Required Contribution	<u>\$ 0</u>
Annual O.P.E.B. Cost (expense) (thousands)	\$3,062
Contributions Made (thousands)	<u>\$ 436</u>
Increase in Net O.P.E.B. Obligation (thousands)	\$2,626
Net O.P.E.B. Obligation-Beginning of Year	<u>\$2,625</u>
Net O.P.E.B. Obligation-End of Year (thousands)	<u>\$5,251</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 22: POST-EMPLOYMENT HEALTHCARE PLAN (CONTINUED)

The Borough's most recent actuarial valuation to determine ARC was performed for the year ended December 31, 2009. The next actuarial valuation is expected to be performed for the year ended December 31, 2012. GASB 45 permits the calculation of ARC in the intervening years to be based on the annual rate of inflation. In determining the ARC for the year ended 2010, the Borough utilized the US Bureau of Labor Statistics annual report on inflation for medical care costs, which yielded a rate of inflation of 3.4%. The Borough's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 follows (dollars amounts in thousands):

Calendar Year Ended	Annual O.P.E.B. Cost (Thousands)	Percentage of Annual O.P.E.B. Cost Contributed	Net O.P.E.B. Obligation (Thousands)
12/31/2010	\$3,063	14.3%	\$5,251

Funded Status and Funding Progress - As of December 31, 2010, the Borough is considered to be an unfunded plan. There are no plan assets. The retiree benefits are paid annually on a cash basis.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

The Actuarial Accrued Liability ("AAL") is the present value of all future expected postretirement medical payments and administrative costs which are attributable to past service. The Borough's unfunded AAL is calculated to be \$25,321.5 (thousands) as of December 31, 2009.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The December 31, 2009 actuarial valuation, utilized the projected unit credit method with amortization on a straight line basis was utilized, for a period of 30 years.

NOTE 23: CONTINGENCIES

The Borough participates in federal and state assistance grant programs. The Borough is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures. It is the Borough of Collingswood Counsel's opinion there is not any litigation or contingent liability that may be pending against the Borough of Collingswood that would have an adverse effect on the financial position in the future.

SUPPLEMENTARY INFORMATION

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MEMBER: AMERICAN INSTITUTE OF
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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

Honorable Mayor and Members
of the Borough Council
Borough of Collingswood
678 Haddon Avenue
Collingswood, NJ 08108

We have audited the financial statements – regulatory basis of the Borough of Collingswood, New Jersey as of and for the year ended December 31, 2010, and have issued our report thereon dated April 15, 2011. Our report disclosed that, as described in Note 1 to the financial statements – regulatory basis, the Borough of Collingswood, New Jersey prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”).

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Borough of Collingswood’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 – regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Collingswood’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough of Collingswood’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 combination of deficiencies in internal control such that there is a reasonable possibility that a material weakness of the entity’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. However, we identified certain deficiencies in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Collingswood, New Jersey'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the requirements of the Division of Local Government Services which is described in the accompanying schedule of findings and questioned costs as items 2010-1, 2010-3, 2010-4, 2010-5.

This report is intended solely for the information and use of management, the Borough Council, federal and state awarding agencies and pass-through entities and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

April 15, 2011

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY STATE TREASURY CIRCULAR LETTER 04-04 OMB

Honorable Mayor and Members
of the Board of Commissioners
Borough of Collingswood
678 Haddon Avenue
Collingswood, NJ 08108

Compliance

We have audited the compliance of the Borough of Collingswood with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the provisions of the *New Jersey State Aid/Grant Compliance Supplement Circular Letter 04-04 OMB*, that are applicable to each of its major state programs for the year ended December 31, 2010. As described in Note 1, the Borough of Collingswood prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America. The Borough of Collingswood's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Borough of Collingswood's management. Our responsibility is to express an opinion on the Borough of Collingswood's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; audit requirements as prescribed by the State of New Jersey; and the provisions of the New Jersey State Treasury Circular Letter 04-04 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*". Those standards, OMB Circular A-133 and the New Jersey State Treasury Circular Letter 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Collingswood's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Collingswood's compliance with those requirements.

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

Internal Control Over Compliance

The management of the Borough of Collingswood is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Borough of Collingswood's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 04-04 OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Collingswood's internal control over compliance.

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

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

This report is intended solely for the information and use of the governing body, management, others within the organization, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

April 15, 2010

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

State Funding Department/Program	CFDA	State Grant Number	Program Amount	Matching Funds	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
						From	To		
Department of Housing and Urban Development Economic Development Initiative (EDI)	14.251	B-08-SP-NJ-0478	196,000			12/17/07	12/17/12		
C.D.B.G.	14.228	100-022-8020-078	70,334		70,334	01/01/10	12/31/10		
	14.228	100-022-8020-078	60,211		60,211	01/01/09	12/31/09		
	14.228	100-022-8020-078	125,000			01/01/09	12/31/09	112,865	123,367
	14.228	100-022-8020-078	125,000		49,880	01/01/09	12/31/09	52,474	63,706
Department of Justice Edward Byrne Memorial Justice Assistance	16.738	2009-SB-B9-2255	24,990	10,490	24,990	03/01/09	02/28/13		24,990
Department of Energy Energy Efficiency & Conservation Block Grant	81.041	N/A	24,178	8,059	24,178	01/01/09	12/31/09	1,612	24,178
Department of Transportation Click it or Ticket	20.604	1160-100-066-1160-113-YHTS-6020	4,000		4,000	05/24/10	06/06/10	4,000	4,000
	20.604	1160-100-066-1160-113-YHTS-6020	4,000			05/18/09	06/30/09		4,000
Over the Limit Under Arrest	20.601	AL09-10-04-72	5,000		5,000	12/07/09	02/03/10	5,000	5,000
Think Pedestrian Safety Grant	20.609	N/A	9,000		9,000	07/15/10	07/31/10	9,000	9,000
Department of Homeland Security Assistance to Firefighters	97.044	EMW-2009-FO-05162	48,569	2,556	45,557	01/01/10	12/31/10	45,557	45,557
BJA - Local Law Enforcement	16.608	N/A	13,633			01/01/02	12/31/02	54	13,633
	16.608	N/A	14,271			01/01/01	12/31/01	772	14,271
					<u>293,150</u>			<u>231,334</u>	<u>331,701</u>

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

State Funding Department/Program	State Grant Number	Program Amount	Matching Funds	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
					From	To		
Department of Community Affairs								
Municipal Alliance on Alcoholism & Drug Abuse	N/A	16,650	4,163	2,274	01/01/10	12/31/10	5,332	5,332
		16,650	4,163	9,400	01/01/09	12/31/09	7,786	20,813
Clean Communities	4900-765-042-4900-004-VCMC-6020	29,195		29,195	01/01/10	12/31/10	29,178	29,178
		18,198			01/01/09	12/31/09		18,115
		18,101			01/01/08	12/31/08		18,044
Recycling Tonnage	4900-752-042-4900-001-VREV-6020	21,204			01/01/09	12/31/09	20,175	20,175
Recycling Tonnage Rebate Pass - Through County of Camden	N/A	13,356			01/01/06	12/31/06	769	12,850
Special Purpose Grant - Richey Avenue Pass - Through County of Camden	N/A	250,000			07/01/01	06/30/02	23,846	250,000
		500,000			07/01/01	06/30/02	10,243	500,000
Department of Environmental Protection								
Hazardous Discharge Site Remediation	N/A	63,962			01/01/03	12/31/04		15,268
		115,685			01/01/04	12/31/04	20,136	114,209
DRPA Transit Village	N/A	250,000			11/19/03	11/19/04		195,095
Community Stewardship Incentive Program	4870-100-042-4870-074-V42F-6120	25,000		3,750	01/01/07	12/31/07		24,990
Department of Health and Senior Services								
Child & Adolescent Health Program	4220-100-046-4535-129-J002-6140	2,500			09/30/06	12/31/06		
Department of Housing and Community Resources								
Neighborhood Preservation - Housing	8020-100-022-8020-092-F301-6020	150,000		119,898	12/01/08	9/30/2010	95,366	120,398
Neighborhood Preservation		125,000		108,260	10/01/07	9/30/2010	90,722	169,854

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

State Funding Department/Program	State Grant Number	Program Amount	Matching Funds	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
					From	To		
Department of Transportation Drunk Driving Enforcement Fund	1110-448-031020-60	4,958		4,958	01/01/10	12/31/10	750	750
		7,664			01/01/09	12/31/09	4,695	5,511
		4,146			01/01/08	12/31/08		3,852
		10,771			01/01/07	12/31/07		11,807
Municipal Court Alcohol Education	9735-760-098-Y900-001-X100-6020	278		278	01/01/10	12/31/10		
		947			01/01/06	12/31/06		
		220			01/01/96	12/31/96		
		453			01/01/95	12/31/95		
		220			01/01/94	12/31/94		
N.J. Transportation Trust Fund Authority Act	6320-480-078-6320-AJY-TCAP-6010	195,000		146,250	01/01/10	12/31/10	191,085	191,085
		180,000		42,291	01/01/09	12/31/09	24,481	180,000
		3,700,000			01/01/08	12/31/08	90,670	3,448,127
		450,000			01/01/04	12/31/04		418,256
		200,000			01/01/06	12/31/06		174,173
Department of Law and Public Safety Safe and Secure Program	100-066-1020-232	90,000			06/01/10	05/31/11	90,000	90,000
		86,843		86,843	06/01/09	05/31/10		86,843
		90,000		30,000	06/01/07	05/31/08		
Body Armor	1020-718-066-1020-001-YCJS-6120	4,269		4,269	01/01/10	12/31/10	1,326	1,326
		8,394			01/01/08	12/31/08	1,326	5,810
Domestic Violence Training	N/A	5,000			01/01/06	12/31/06		1,023
County - Juvenile Offenders Station House	N/A	1,000		1,000	01/01/10	12/31/10		
				<u>588,666</u>			<u>707,887</u>	<u>6,132,884</u>

BOROUGH OF COLLINGSWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1: GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include federal and state activity of the Borough of Collingswood. The Borough is defined in Note 1 to the Borough's financial statements. All federal awards and state assistance received directly from federal and state agencies, as well as federal and state financial assistance passed through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the federal and state grant activity of the Borough of Collingswood and are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey Circular Letter 04-04-OMB. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

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

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

1. Material weakness(es) identified? Yes X No
2. Significant deficiencies identified that are not considered to be material weaknesses? X Yes None reported

Noncompliance material to financial statements noted? Yes X No

Federal awards

N/A

Internal control over financial reporting:

1. Material weakness(es) identified? Yes No
2. Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

Type of auditor’s report issued on compliance for major programs:

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133? Yes No

Identification of major programs:

Dollar threshold used to distinguish between type A and type B programs:

Auditee qualified as low-risk auditee? Yes No

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

Section I – Summary of Auditor’s Results

State awards

N/A

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

Type of auditor’s report issued on compliance for major programs: Unqualified

Internal control over major programs:

1. Material weakness(es) identified? Yes No

2. Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04? Yes No

Identification of major programs:

Other Identifying Numbers
8020-100-022-8020-6020
6320-480-078-6320-6010

Name of State Program
Neighborhood Preservation
N.J. DOT

Section II – Financial Statement Findings

See Schedule of Findings & Recommendations

Section III – Federal Awards Findings

N/A

Section IV – State Awards Findings

None

SCHEDULE 5

BOROUGH OF COLLINGSWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2010

No matters were reported in the prior year.

CURRENT FUND

SCHEDULE OF CURRENT FUND CASH - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>	<u>Payroll</u>
Balance December 31, 2009	A	3,384,753	145,194	120,489
Increased by Receipts:				
Tax Receivable	A-7	30,624,306		
Tax Title Liens	A-8	526		
Prepaid Taxes		101,678		
Tax Overpayments		18,506		
Grants Receivable	A-10		860,438	
Revenue Accounts Receivable	A-11	7,014,447		
Due State of New Jersey:				
Senior Citizen and Veterans Deductions	A-16	133,047		
Construction DCA Fees		5,897		
Marriage License Fees/Burial Permits		2,450		
Reserve for Grants - Unappropriated	A-18		19,115	
Tax Anticipation Note		4,000,000		
Due Camden County Municipal Utilities Authority		100,473		
Due from Special Improvement District (Other)		1,025		
Due from Volunteer Fire Company		5,505		
Due Animal Control Trust Fund		2		
Due from Trust - Tax Sale		75,420		
Due Trust Other		4,989		
Due from General Capital Fund		2,650,000		
Due Water Operating Fund	D-5	367,000		
Due Sewer Operating Fund	E-5	208,000		
Due Collingswood Free Public Library		6,798		
Due from Federal and State Grant Fund	A-4	18,999		
Due from Payroll	A-4	26,937		
Payroll Taxes				6,410,204
Net Payroll				5,230,926
Total Receipts		45,366,005	879,553	11,641,130
		48,750,758	1,024,747	11,761,619

SCHEDULE OF CURRENT FUND CASH - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>	<u>Payroll</u>
Decreased by Disbursements:				
Budget Appropriations	A-3	15,204,006		
Appropriation Reserves	A-14	46,932		
Encumbrances Payable	A-15	28,680	7,983	
Reserve for Grants - Appropriated	A-20		926,235	
Reserve for Local Grants - Appropriated	A-19	400,950		
Grant Expenditure Without Appropriation	A-12		4,000	
Due State of New Jersey:				
Marriage License Fees/Burial Permits		2,100		
Construction DCA Fees		5,169		
Reserve for Maintenance Free Public Library		14,051		
County Taxes Payable	A-7	6,984,575		
Due County Added & Omitted Taxes		3,610		
Special Improvement District Taxes		252,271		
Due Special Improvement District		2,975		
Due from Volunteer Fire Company		7,155		
Due Camden County Municipal Utilities Authority		100,473		
Tax Overpayments		10,255		
Tax Anticipation Note		4,000,000		
Due Trust Other		1,026		
Due from Trust - Tax Sale		74,000		
Due General Capital Fund		3,851,714		
Due Water Operating Fund	D-5	346,000		
Due Water Capital Fund	D-5	165,000		
Due Sewer Operating Fund	E-5	268,000		
Due Sewer Capital Fund	E-5	1,110,000		
Due Parking Utility (Salaries)		20,740		
Due Parking Utility		91,860		
Due from Special Improvement District (Other)		1,025		
Local District School Tax	A-17	14,602,249		
Due Current Fund	A-4		18,999	26,937
Payroll Taxes				6,419,132
Net Payroll				5,230,926
		<u>47,594,816</u>	<u>957,217</u>	<u>11,676,995</u>
Balance December 31, 2010	A	<u>1,155,942</u>	<u>67,530</u>	<u>84,624</u>

SCHEDULE OF CURRENT FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>	<u>Payroll</u>
Balance December 31, 2010	A-4	1,155,942	67,530	84,624
Increased by Receipts:				
Cash Receipts Record		7,906,944	29,800	1,589,615
		9,062,886	97,330	1,674,239
Decreased by Disbursements:				
Cash Disbursements Record		6,678,956	21,230	1,587,105
Balance February 28, 2011	A-5	2,383,930	76,100	87,134

Cash Reconciliation - February 28, 2011

Balance per Statement				
First Colonial Bank		1,732,284	76,099	86,287
Add: Deposit in Transit		693,391		10,966
Less: Outstanding Checks		41,745		10,119
Balance February 28, 2011	A-5	2,383,930	76,099	87,134

SCHEDULE OF CHANGE FUNDS

<u>Office</u>	<u>Balance</u>	<u>Balance</u>
	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2010</u>
Borough Clerk	50.00	50.00
Tax Collector	150.00	150.00
Municipal Court	25.00	25.00
Construction Code	50.00	50.00
	275.00	275.00
Ref.	A	A

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	Levy	Added Taxes	Collected		Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2009			2009	2010				Dec. 31, 2010
2008	9,439				9,439				
2009	23,327		10,429		33,006	6	744		
	<u>32,766</u>		<u>10,429</u>		<u>42,445</u>	<u>6</u>	<u>744</u>		
2010		30,978,786		132,102	30,719,908	74,606	26,124	17,724	8,322
	<u>32,766</u>	<u>30,978,786</u>	<u>10,429</u>	<u>132,102</u>	<u>30,762,353</u>	<u>74,606</u>	<u>26,868</u>	<u>17,724</u>	<u>8,322</u>
Ref.	A			A				A-8	A
		Cash		<u>Ref.</u>	30,624,306				
		Due State of New Jersey		A-4	138,047				
				A-16	<u>30,762,353</u>				

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax:			
Business Personalty Tax	110,751		
General Property Tax	30,594,699		
Special Improvement District	253,694		
		30,959,144	
Added Taxes (54:4-63.1 et seq.)		19,642	
			30,978,786

Ref.

Tax Levied

Local District School Tax (Abstract)	A-17		14,602,249
County Taxes:			
County Tax (Abstract)	A-1	6,984,575	
(54:4-63.1 & 54:4-63.12 et seq.)	A-1	5,304	
Total County Taxes			6,989,879
Special Improvement District Tax	A-1		253,694
Local Tax for Municipal Purposes	A-2	9,108,000	
Add: Additional Taxes Levied		24,964	
			9,132,964
			30,978,786

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2009	A	11,959
Increased by:		
Transfers from Taxes Receivable	A-7	17,724
Interest and Costs on Tax Sale		1,758
		<hr/> 19,482 <hr/>
Decreased by:		
Receipts	A-4	526
Balance December 31, 2010	A	<hr/> 30,915 <hr/> <hr/>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

	<u>Ref.</u>	
Balance December 31, 2009	A	149,975
Decreased by:		
Property Dedicated to Parking		70,000
Balance December 31, 2010	A	<hr/> 79,975 <hr/> <hr/>

SCHEDULE OF GRANTS RECEIVABLE

<u>Grants</u>	Balance Dec. 31, 2009	Budget Revenue Realized	Received	Transfer from Unappropriated	Canceled	Balance Dec. 31, 2010
Federal Grants:						
E.B. Memorial Justice Assistance Grant	17,158	7,832	24,990			
Community Development Block Grant	60,211	70,334	120,422	10,123		
C.D.B.G. Curbs	125,000		49,880			75,120
Board of Public Utilities - Clean Energy	24,178		24,178			
EDI Theatre Project Grant	196,000					196,000
COPS in School - 2001	37,000					37,000
Click It or Ticket	200	4,000	4,000		200	
Over the Limit Under Arrest		5,000	5,000			
Pedestrian Decoy Safety Grant		9,000	9,000			
Assistance to Firefighters	453	48,569	45,557			3,465
	<u>460,200</u>	<u>144,735</u>	<u>283,027</u>	<u>10,123</u>	<u>200</u>	<u>311,585</u>
State Grants:						
New Jersey DOT Palmer		195,000	146,250			48,750
New Jersey Transportation Trust - Woodlawn & N. Atlantic	12,330				12,330	
New Jersey Transportation Trust - Harrison/Champion	50,000				30,585	19,415
NJ DOT - Lawnside	63,661		42,291			21,370
Clean Communities Program		29,195	24,176	5,019		
Delaware River Bay Authority Browning Road - 1998	10,000					10,000
Hazardous Discharge Site Remediation	42,075					42,075
Police Body Armor		4,269	4,269			
Safe & Secure	116,843	90,000	116,843			90,000
Domestic Violence Training	5,000					5,000
Drunk Driving Enforcement Program		4,958		4,958		
Municipal Court Alcohol Education		279		279		
Juvenile Offenders Station House		1,000		1,000		
Community Stewardship Incentive Program	3,750		3,750			
DRPA - Transit Village	75,944					75,944
Municipal Alliance Youth Service	9,400	16,650	11,674			14,376
Municipal Alliance Youth Service - 2007	989					989
Municipal Alliance Youth Service - 2002	6,860					6,860
Urban Land Institute - Community Action	2,650					2,650
Community Forestry Grant		7,000				7,000
Neighborhood Preservation Grant - 2005	90,000				90,000	
Neighborhood Preservation Grant - 2007	108,260		108,260			
Neighborhood Preservation Grant - 2009	150,000				150,000	
Neighborhood Preservation Grant - 2009 - Housing	150,000		119,898		30,102	
	<u>897,762</u>	<u>348,351</u>	<u>577,411</u>	<u>11,256</u>	<u>313,017</u>	<u>344,429</u>
	<u>1,357,962</u>	<u>493,086</u>	<u>860,438</u>	<u>21,379</u>	<u>313,217</u>	<u>656,014</u>
Ref.	A	A-2	A-4	A-18	A-1	A

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2009	Accrued	Collected by Treasurer	Balance Dec. 31, 2010
<u>Miscellaneous Revenue Anticipated</u>				
Licenses: Other		1,295	1,295	
Fees and Permits		70,193	70,193	
Fines and Costs:				
Municipal Court	13,015	163,686	163,473	13,228
Interest and Costs on Taxes		94,175	94,175	
Interest on Investments		46,105	46,105	
Department of Recreation Fees		70,163	70,163	
Fire Service		65,155	65,155	
Collingswood Ambulance Service				
Memberships		15,105	15,105	
Pool Tags		142,759	142,759	
Rental Inspections		22,515	22,515	
Resale Inspection Fees		5,950	5,950	
Third Party Billing - Ambulance		369,444	369,444	
Housing Inspections		83,451	83,451	
Donations - Community Sponsored Events		2,146	2,146	
Payments in Lieu:				
Parkview		824,772	824,772	
Methodist Home		38,397	38,397	
Senior Community Center Rents		89,492	89,492	
Consolidated Municipal Property Tax Relief		265,574	265,574	
Energy Receipts Tax		929,844	929,844	
Uniform Construction Code Official		84,504	84,504	
Interlocal Agreements - Construction Code:				
Borough of Merchantville		13,937	13,937	
Borough of Woodlynne		5,200	5,200	
Interlocal Agreements - Fire Services				
Haddon Township Fire District #2		24,416	24,416	
Interlocal Agreements - Police Services				
Borough of Woodlynne		527,188	527,188	
Interlocal Agreements - Municipal Court				
Borough of Woodlynne		54,306	54,306	
Knight Park - Donation		7,500	7,500	
Cable TV Franchise Fee		40,306	40,306	
Telephone/Internet Franchise Fees		33,962	33,962	
Sale of Property		305,025	305,025	
Payments in Lieu:				
Collingswood Housing Authority		16,496	16,496	
Lumberyard		462,650	462,650	
Pewter Village		67,500	67,500	
Veteran's Office Administration		11,364	11,364	
Other		27,714	27,714	
Due from Scottish Rite		235,000	235,000	
Due from Collingswood Partners		123,817	123,817	
Lease Payments:				
Catelli Parking		11,000	11,000	
Zane School		229,190	229,190	
Robert's Pool Concession Stand Sales		22,063	22,063	
Redeveloper Loan Repayment		1,300,000	1,300,000	
<u>Miscellaneous Revenue Not Anticipated</u>				
Uniform Fire Safety Act		10,977	10,977	
Senior Citizen Administration Fee		2,661	2,661	
Sale of Municipal Assets		8,065	8,065	
Rent 641 Haddon Avenue		4,000	4,000	
Compost Initiative		11,625	11,625	
DMV Inspection Fines		11,252	11,252	
Clean up Charges		550	550	
Recycled Newspapers		21,392	21,392	
Refund		24,080	24,080	
Miscellaneous Revenue		16,699	16,699	
	13,015	7,014,660	7,014,447	13,228
Ref.	A		A-4	A

SCHEDULE OF DEFERRED CHARGES

	Balance Dec. 31, 2009	Added in 2010	Reduced in 2010	Balance Dec. 31, 2010
Current Fund:				
Deficit in Operations	72,204		72,204	
Overexpenditure of Appropriation		146		146
Emergency Authorization		205,034		205,034
Trust Fund:				
Expenditure Without Appropriation		700		700
Grant Fund:				
Overexpenditure of a Grant	8,869	45,354	8,869	45,354
Grant Expenditure Without Appropriation		4,000		4,000
	<u>81,073</u>	<u>255,234</u>	<u>81,073</u>	<u>255,234</u>
Ref.	A	A-3:A-20:B-1:A-4	A-3	A:B

SCHEDULE OF DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY - REVALUATION PROGRAM

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2009	Decreased	Balance Dec. 31, 2010
05/07/07	Revaluation Program	390,086	78,017	234,052	78,017	156,035
			Ref.	A	A-3	A

SCHEDULE OF 2009 APPROPRIATION RESERVE

	Balance Dec. 31, 2009	Balance After Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages:				
Fire	2,101	2,101	624	1,477
Municipal Court	3,131	3,131	101	3,030
Other Expenses:				
Mayor and Commissioners	32	32	30	2
Municipal Clerk:				
Miscellaneous Other Expenses	36	36	5	31
Zane School	673	673	485	188
Group Insurance	1,224	1,224	1,224	
Fire	1,697	1,697	60	1,637
Solid Waste Collections	42,616	42,616	42,616	
Public Buildings and Grounds	177	177	173	4
Park and Playground	266	266	95	171
Municipal Court	3,203	3,203	998	2,205
Contingent	250	250	72	178
Other Accounts - No Change	2,022	2,022		2,022
Operations within CAPS	57,428	57,428	46,483	10,945
OPERATIONS EXCLUDED FROM CAPS				
Maintenance of Free Public Library	2,872	2,872	449	2,423
Other Accounts - No Change	201	201		201
Operations Excluded from CAPS	3,073	3,073	449	2,624
Total Appropriations	60,501	60,501	46,932	13,569
Ref.	A		A-4	A-1

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Balance December 31, 2009	A	29,314	7,983
Increased by:			
Charges to 2010 Appropriations	A-3	5,931	
Charges to Grants - Appropriated	A-20		3,227
		<u>35,245</u>	<u>11,210</u>
Decreased by:			
Payments	A-4	28,680	7,983
Canceled	A-1	634	
		<u>29,314</u>	<u>7,983</u>
Balance December 31, 2010	A	<u>5,931</u>	<u>3,227</u>

SCHEDULE OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZEN AND VETERANS DEDUCTIONS

	<u>Ref.</u>		
Balance December 31, 2009	A		70,132
Increased by:			
Receipts	A-4		133,047
			<u>203,179</u>
Decreased by:			
2010 Deductions Per Tax Duplicate		139,750	
2010 Deductions Allowed by Collector		2,000	
2010 Deductions Disallowed by Collector		(3,703)	
		<u>138,047</u>	
2009 Deductions Disallowed by Collector	A-7 A-1	(6,250)	
			<u>131,797</u>
Balance December 31, 2010	A		<u>71,382</u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	<u>Ref.</u>	
Increased by:		
Levy Calendar Year	A-7	14,602,249
Decreased by:		
Payments	A-4	14,602,249

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Receipts</u>	<u>Budgeted</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Police Body Armor	4,958		4,958	
CDBG	10,123		10,123	
Municipal Court Alcohol Education	279		279	
Board of Public Utility Clean Energy		893		893
Recycling Tonnage		18,222		18,222
Clean Communities	5,019		5,019	
Juvenile Offenders	1,000		1,000	
	<u>21,379</u>	<u>19,115</u>	<u>21,379</u>	<u>19,115</u>
Ref.	A	A-4	A-10	A

SCHEDULE OF RESERVE FOR LOCAL GRANTS - APPROPRIATED

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Transferred</u> <u>from 2010</u> <u>Budget</u> <u>Appropriation</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Collingswood Pride Grant	72,134	425,000	400,950	96,184
	A	A-3	A-4	A

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	Balance Dec. 31, 2009	Transferred from 2010 Budget Appropriation	Paid or Charged	Encumbered	Over- Expended	Reclassify	Canceled	Balance Dec. 31, 2010
Federal Grants:								
FEMA - Hazardous Mitigation Grant	16,947							16,947
Transportation Community Develop. Initiative (DVRPC)	12							12
Assistance to Firefighters	452	51,125	45,557					6,020
EDI Theatre Project Grant	196,000							196,000
Over the Limit Under Arrest		5,000				5,000		
Click it or Ticket	200	4,000	4,000				200	
Pedestrian Safety & Education Enforcement	3,992	9,000	9,000					3,992
CDBG Curbs	113,768		52,474					61,294
CDBG Haddon Avenue Streetscape	114,498		112,865					
Board of Public Utilities - Clean Energy	1,612		1,612					
BJA Local Law Enforcement		7,832						7,832
BJA Local Law Enforcement 2001 & 2002	826		826					
Total Federal Grants	448,307	76,957	226,334			5,000	200	292,097
State Grants:								
New Jersey Transportation Trust - Lawnside	24,481		24,481					
New Jersey Transportation Trust - Harrison/Champion	25,827					(4,758)	30,585	
New Jersey Transportation Trust - Woodlawn & N. Atlantic	31,744						31,744	
New Jersey Transportation Trust - Cattell Avenue	342,543		90,670					251,873
New Jersey DOT - Palmer		195,000	190,772	313				3,915
Clean Communities	141	29,195	29,178					158
Drunk Driving Enforcement Fund 2010		4,958		750				4,208
Drunk Driving Enforcement Fund 2009	1,848		3,600	1,095		(5,000)		2,153
Drunk Driving Enforcement Fund 2008	294							294
Recycling Tonnage Grant	21,204		20,175					1,029
Recycling Tonnage Rebate - County	1,275		769					506
Neighborhood Preservation - 2009 Housing	124,968		95,366		500		30,102	
Neighborhood Preservation - 2009	149,500					(500)	150,000	
Neighborhood Preservation - 2007	46,368		90,722		44,854	500		
Neighborhood Preservation - 2005	34,839						34,839	
DRPA - Transit Village	54,906							54,906
DRPA Transit Oriented Fund	50,000							50,000
Municipal Alliance Program	7,786	20,813	13,118					15,481
Juvenile Offenders Station House		1,000						1,000
Child and Adolescent Health Program	2,500							2,500
Community Stewardship Incentive Program	10							10
Community Forestry Grant		7,000						7,000
Safe & Secure		90,000	90,000					
Body Armor Grant	3,910	4,269	2,652					5,527
Municipal Court Alcohol Education	1,840	278						2,118
Domestic Violence Training	3,977							3,977
Hazardous Discharge Site Remediation - Kerm Watson	21,612		20,136					1,476
Hazardous Discharge Site Remediation - Peter Lumber	48,694							48,694
Special Purpose Grant - Richey Avenue	10,243		10,243					
Camden County Richey Avenue	23,846		22,777	1,069				
	1,034,356	352,513	704,659	3,227	45,354	(9,758)	277,270	456,825
	1,482,663	429,470	930,993	3,227	45,354	(4,758)	277,470	748,922
Ref.	A	A-3	A-4	A-15	A	A-4	A-1	A

TRUST FUND

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Animal Control Trust	Trust Other	Unemployment Compensation Trust
Balance December 31, 2009	B	1,325	146,442	81,055
Increased by Receipts:				
Interest Earned		27	2,561	1,029
Dog License Fees:				
Municipal Share	B-5	3,712		
State Share		398		
Due Current Fund		25,686	969	
Zoning Board Escrow Fees			5,900	
Planning Board Escrow Fees			7,126	
Public Defender Trust Fees			8,082	
POAA Fees			1,461	
Off-Duty Police			189,271	
Bike Share Program			3,779	
Uniform Fire Penalty Money			9,945	
Donations for Fire Department Equipment			1,410	
Snow Removal Trust Fund			37,355	
Law Enforcement Forfeiture			6,107	
Commodity Resale			178,500	
Donations Community Events			24,411	
Due from Payroll Agency Fund				12,424
Employee Unemployment Withholding				10,312
		29,823	476,877	23,765
Decreased by Disbursements:				
Expenditures Under RS 4:19-15.11	B-5	5,053		
NJ State Department of Health		399		
Encumbrances Payable			4,225	
Zoning Board Escrow Fees			5,345	
Rooming House Escrow			1,105	
Planning Board Escrow Fees			4,777	
Public Defender Trust Fund			8,628	
POAA Fess			1,670	
Municipal Alliance			1,190	
Off-Duty Police			181,045	
Bike Share Program			1,385	
Uniform Fire Penalty Money			9,582	
Law Enforcement Forfeiture			1,150	
Commodity Resale			170,410	
Expenditure Without Appropriation	A-12		700	
Donations Community Events			29,084	
Unemployment Compensation				82,414
Due Current Fund		25,714	4,450	
		31,166	424,746	82,414
Balance December 31, 2010	B	(18)	198,573	22,406

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Animal Control Trust</u>	<u>Trust Other</u>	<u>Unemployment Compensation Trust</u>
Balance December 31, 2010	B-1	(18)	198,573	22,406
Increased by Receipts:				
Cash Receipts Record		2,260	72,312	54
		<u>2,242</u>	<u>270,885</u>	<u>22,460</u>
Decreased by Disbursements:				
Cash Disbursements Record		375	80,775	
Balance February 28, 2011	B-2	<u>1,867</u>	<u>190,110</u>	<u>22,460</u>

Cash Reconciliation - February 28, 2011

Balance per Statement				
First Colonial Bank		22,332	172,014	22,460
Add: Deposit in Transit		75	20,419	
Less: Outstanding Checks		20,541	2,323	
Balance February 28, 2011	B-2	<u>1,866</u>	<u>190,110</u>	<u>22,460</u>

SCHEDULE OF TRUST FUND CASH - COLLECTOR

Balance December 31, 2009	<u>Ref.</u> B		73,967
Increased by:			
Deposits for Redemption of Tax Sale Certificates	B-6	623,425	
Premiums Received at Tax Sale	B-7	64,200	
Tax Sale Receipts		358,824	
Due Current Fund		74,000	
Interest Earned		1,172	
		<hr/>	1,121,621
			<hr/>
			1,195,588
Decreased by:			
Redemptions of Tax Sale Certificates	B-6	606,577	
Tax Sale Premiums	B-7	16,900	
Tax Sale Receipts		358,824	
Due Current Fund		75,213	
Interest Transferred to Current Fund		1,174	
		<hr/>	1,058,688
			<hr/>
Balance December 31, 2010	B		<u><u>136,900</u></u>

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - COLLECTOR

Balance December 31, 2010	<u>Ref.</u> B-3	136,900
Increased by:		
Cash Receipts Record		139,429
		<hr/> 276,329
Decreased by:		
Cash Disbursements Record		156,370
Balance February 28, 2011	B-4	<hr/> <hr/> 119,959
<u>Cash Reconciliation - February 28, 2011</u>		
Balance per Statement		
First Colonial Bank		202,653
Less: Outstanding Checks		82,694
Balance February 28, 2011	B-4	<hr/> <hr/> 119,959

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2009	<u>Ref.</u> B	1,322
Increased by:		
Municipal Share of Dog License Fees	B-1	3,712
		<u>5,034</u>
Decreased by:		
Expenditures Under R.S.4:19-15.11: Cash	B-1	5,053
Balance December 31, 2010	B	<u><u>(19)</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2008	3,834
2009	4,083
	<u>7,917</u>

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES

Balance December 31, 2009	<u>Ref.</u> B	9,447
Increased by:		
Deposits Received	B-3	623,425
		<u>632,872</u>
Decreased by:		
Refunds - Tax Sale Certificates Redeemed	B-3	606,577
Balance December 31, 2010	B	<u><u>26,295</u></u>

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE PREMIUMS

	<u>Ref.</u>	
Balance December 31, 2009	B	63,100
Increased by:		
Deposits Received at Tax Sale	B-3	<u>64,200</u>
		127,300
Decreased by:		
Premiums Refunded	B-3	<u>16,900</u>
Balance December 31, 2010	B	<u><u>110,400</u></u>

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

Balance December 31, 2009	<u>Ref.</u> C		(30,668)
Increased by:			
Reserve for Revolving Loan	C-4	7,457	
Bond Anticipation Notes	C-10	2,650,000	
Due Current Fund	C-4	549,436	
Due Sewer Operating Fund	C-4	7,000	
		<hr/>	3,213,893
			<hr/>
			3,183,225
Decreased by:			
Improvement Authorizations	C-8	2,500,352	
Encumbrances Payable	C-4	108,476	
Reserve for Debt Service	C-4	35	
Due Sewer Operating Fund	C-4	7,000	
Due Current Fund		125	
		<hr/>	2,615,988
			<hr/>
Balance December 31, 2010	C		<u>567,237</u>

SCHEDULE OF GENERAL CAPITAL CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

Balance December 31, 2010	<u>Ref.</u> C-2	567,237
Increased by:		
Cash Receipts Record		92,308
		<hr/> 659,545
Decreased by:		
Cash Disbursements Record		248,268
		<hr/> 411,277
Balance February 28, 2011	C-3	<hr/> <hr/> 411,277
<u>Cash Reconciliation - February 28, 2011</u>		
Balance per Statement		
First Colonial Bank		1,128,417
Less: Outstanding Checks		717,140
		<hr/> 411,277
Balance February 28, 2011	C-3	<hr/> <hr/> 411,277

ANALYSIS OF GENERAL CAPITAL FUND CASH

	Receipts		Disbursements		Transfers		Balance Dec. 31, 2010		
	Balance Dec. 31, 2009	Bond Anticipation	Miscellaneous	Improvement Authorization	Miscellaneous	From		To	
		Notes							
Fund Balance	37,851						5	37,856	
Capital Improvement Fund	7							7	
Due Current Fund	(543,992)		549,436		125		2,409	7,728	
Due Sewer Operating Fund			7,000		7,000				
Encumbrances Payable	108,476				108,476				
Reserve for Revolving Loan (Duplex Conversions)	64,251		7,457			2,409		69,299	
Reserve for Debt Service	35				35				
Reserve for Education and Recreation Equipment	10,012							10,012	
Reserve for Collingswood Foundation for the Arts	50,000							50,000	
Reserve for Directional Signage	12,795							12,795	
Reserve for Playground Equipment	2,846							2,846	
Improvement Authorizations:									
<u>Ordinance</u>									
<u>Number</u>									
1092	Acq. of Real Estate	1,117						1,117	
1114	Various Capital Improvements	457						457	
1161	Redevelopment Project	17,679						17,679	
1190	Senior Citizen Community Center	392		392					
1285	Acq. of Real Estate	5				5			
1322	Loan to Redeveloper for								
	Improvements to Scottish Rite	7,534						7,534	
1438	Acquisition of Various Properties	20,293		14,062				6,231	
1439	Acquisition of Various Pieces of Equipment	167,574		126,456				41,118	
1453	Reappropriation of Unexpended Balance								
	for purpose of:								
	Various Equipment and Improvements at								
	Library	12,000		5,923				6,077	
1480	Lumberyard Redevelopment Project		750,000	750,000					
1486	Lumberyard Redevelopment Project		1,900,000	1,603,519				296,481	
		(30,668)	2,650,000	563,893	2,500,352	115,636	2,414	2,414	567,237
Ref.		C	C-10	C-2	C-8	C-2		C	

EXHIBIT C-5

SCHEDULE OF DEFERRED CHARGES TO FUTURE
TAXATION - FUNDED

	<u>Ref.</u>	
Balance December 31, 2009	C	27,593,763
Decreased by:		
Payment of Bonds Payable	C-9	949,474
Balance December 31, 2010	C	<u>26,644,289</u>

EXHIBIT C-6

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	C	<u>7</u>
Balance December 31, 2010	C	<u>7</u>

SCHEDULE OF DEFERRED CHARGES TO FUTURE
TAXATION - UNFUNDED

Ordinance Number	Purpose	Balance Dec. 31, 2009	2010 Authorization	Loan to Developer	Canceled	Balance Dec. 31, 2010	Analysis of Balances December 31, 2010	
							Financed By Bond Anticipation Notes	Unexpended Improvement Authorizations
1291	Various Capital Improvements	100			100			
1465	Refunding Bond Ordinance	39,248				39,248		39,248
1480	Lumberyard Redevelopment Project		750,000			750,000	750,000	
1486	Lumberyard Redevelopment Project		3,300,000	1,300,000		2,000,000	1,900,000	100,000
		39,348	4,050,000	1,300,000	100	2,789,248	2,650,000	139,248
Ref.		C	C-8:C-11	C	C-11	C	C-10	
	Improvement Authorizations - Unfunded						<u>Ref.</u> C-8	1,735,729
	Loan to Redeveloper						C	1,300,000
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:							
	Ordinance							
	<u>Number</u>							
	1486		Lumberyard Redevelopment Project				C-4	296,481
								139,248

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2009		Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Canceled	Balance Dec. 31, 2010	
				Funded	Unfunded				Funded	Unfunded
1092	Acquisition of Real Estate	02/20/96	8,000,000	1,117					1,117	
1114	Various Capital Improvements	01/21/97	1,494,000	457					457	
1161	Redevelopment Project (Zane School)	08/10/98	1,800,000	17,679					17,679	
1190	Senior Citizen Community Center	07/06/99	1,300,000	392			392			
1285	Acquisition of Real Estate	02/04/02	5,300,000	5				5		
1291	Various Capital Improvements	07/01/02	918,000		100			100		
1322	Loan to Redeveloper	08/04/03	5,000,000	7,534					7,534	
1438	Acquisition of Various Properties	08/14/07	3,940,000	20,293			14,062		6,231	
1439	Acquisition of Various Pieces of Equipment	08/14/07	2,201,000	167,574			126,456		41,118	
1453	Reappropriation of balances for the purpose of: Various Equipment and Improvements at Library	08/04/08	12,000	12,000			5,923		6,077	
1465	Refunding Bond Ordinance	06/01/09	39,248		39,248					39,248
1480	Lumberyard Redevelopment Project	07/06/10	750,000			750,000	750,000			
1486	Lumberyard Redevelopment Project	08/03/10	3,300,000			3,300,000	1,603,519			1,696,481
				<u>227,051</u>	<u>39,348</u>	<u>4,050,000</u>	<u>2,500,352</u>	<u>105</u>	<u>80,213</u>	<u>1,735,729</u>
		Ref.		C	C	C-7	C-2		C	C
							Ref.			
							C-11	100		
							C-1	5		
								<u>105</u>		

Authorized but not Issued
Fund Balance

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance		Balance Dec. 31, 2010
			Date	Amount		Dec. 31, 2009	Decreased	
8/1/93	General Improvement Bonds	1,640,000	8/1/11/13	111,763	5.300%	439,763	104,474	335,289
10/01/98	General Obligation Bonds - Taxable	2,100,000	10/1/11/21 10/1/22/23	100,000 100,000	6.000% 6.100%	1,375,000	75,000	1,300,000
09/01/99	CCIA - Revenue Bonds	1,300,000	9/1/11 9/1/12 9/1/13 9/1/14/15 9/1/16 9/1/17 9/1/18 9/1/19	65,000 70,000 75,000 80,000 85,000 90,000 95,000 100,000	5.850% 5.850% 5.850% 5.850% 5.850% 5.850% 5.850% 5.850%	805,000	65,000	740,000
12/04/02	General Obligation Bonds	3,205,000	11/15/11 11/15/12 11/15/13 11/15/14 11/15/15 11/15/16 11/15/17 11/15/18 11/15/19 11/15/20 11/15/21 11/15/22	145,000 150,000 155,000 160,000 170,000 175,000 185,000 195,000 200,000 210,000 220,000 230,000	5.000% 5.000% 5.125% 4.000% 4.300% 4.300% 5.250% 5.250% 4.625% 4.625% 4.750% 4.750%	2,335,000	140,000	2,195,000

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2009	Decreased	Balance Dec. 31, 2010
			Date	Amount				
02/01/08	General Obligation Bonds - Tax Exempt	3,537,000	2/1/11		3.250%	3,537,000		3,537,000
			2/1/12		3.250%			
			2/1/13		3.250%			
			2/1/14		3.250%			
			2/1/15		3.250%			
			2/1/16		3.500%			
			2/1/17	654,000	3.500%			
			2/1/18	679,000	3.625%			
			2/1/19	705,000	3.750%			
			2/1/20	734,000	4.000%			
			2/1/21	765,000	4.000%			
02/01/08	General Obligation Bonds - Taxable	4,935,000	2/1/11	540,000	4.250%	4,725,000	565,000	4,160,000
			2/1/12	575,000	4.250%			
			2/1/13	620,000	4.500%			
			2/1/14	900,000	4.500%			
			2/1/15	765,000	4.750%			
			2/1/16	760,000	5.000%			
06/01/09	General Obligation Bonds - Tax Exempt	11,153,000	6/1/11	175,000	4.375%			
			6/1/12	180,000	4.375%			
			6/1/13	185,000	4.375%			
			6/1/14	70,000	4.375%			
			6/1/15	250,000	4.375%			
			6/1/16	300,000	4.375%			
			6/1/17	440,000	4.375%			
			6/1/18	460,000	4.375%			
			6/1/19	485,000	4.375%			
			6/1/20	600,000	4.375%			
			6/1/21	615,000	4.375%			
			6/1/22	750,000	4.500%			

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance		Balance Dec. 31, 2010
			Date	Amount		Dec. 31, 2009	Decreased	
06/01/09	General Obligation Bonds - Tax Exempt		6/1/23	730,000	4.500%	11,153,000		11,153,000
			6/1/24	870,000	4.500%			
			6/1/25	915,000	4.500%			
			6/1/26	955,000	4.500%			
			6/1/27	1,005,000	4.500%			
			6/1/28	1,055,000	4.500%			
			6/1/29	1,113,000	4.500%			
06/01/09	General Obligation Bonds - Taxable	3,224,000	6/1/11	105,000	5.750%	3,224,000		3,224,000
			6/1/12/13	110,000	5.750%			
			6/1/14	115,000	6.000%			
			6/1/15	120,000	6.000%			
			6/1/16	130,000	6.000%			
			6/1/17	135,000	6.000%			
			6/1/18	140,000	6.000%			
			6/1/19	150,000	6.000%			
			6/1/20	160,000	6.000%			
			6/1/21	165,000	6.000%			
			6/1/22	175,000	6.000%			
			6/1/23	190,000	6.000%			
			6/1/24	200,000	6.000%			
			6/1/25	215,000	6.125%			
			6/1/26	225,000	6.250%			
			6/1/27	240,000	6.250%			
			6/1/28	260,000	6.250%			
6/1/29	279,000	6.250%						
						3,224,000		3,224,000
						<u>27,593,763</u>	<u>949,474</u>	<u>26,644,289</u>
					Ref.	C	C-5	C

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Balance Dec. 31, 2010</u>
1480	Lumberyard Redevelopment Project	6/30/2010	6/30/2010	6/29/2011	1.850%	750,000	750,000
1486	Lumberyard Redevelopment Project	9/30/2010	9/30/2010	9/29/2011	1.800%	1,900,000	1,900,000
						<u>2,650,000</u>	<u>2,650,000</u>
					Ref.	C-2:C-11	C

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Authorizations</u>	<u>Loan to Developer</u>	<u>Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2010</u>
1291	Various Capital Improvements	100				100	
1465	Refunding Bond Ordinance	39,248					39,248
1480	Lumberyard Redevelopment Project		750,000		750,000		
1486	Lumberyard Redevelopment Project		3,300,000	1,300,000	1,900,000		100,000
		<u>39,348</u>	<u>4,050,000</u>	<u>1,300,000</u>	<u>2,650,000</u>	<u>100</u>	<u>139,248</u>
	Ref.		C-8	C	C-10	C-8	

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2009	D	<u>40,962</u>	<u>4,445</u>
Increased by:			
Consumer Accounts Receivable	D-8	2,221,811	
Miscellaneous Revenues	D-3	24,762	61
Utility Rent Overpayments		9,615	
Due Current Fund	A-4	346,000	165,000
Due Water Capital Fund	D-5	56	
		<u>2,602,244</u>	<u>165,061</u>
		2,643,206	169,506
Decreased by:			
Budget Appropriations	D-4	1,928,137	
Appropriation Reserve	D-12	20,015	
Improvement Authorizations	D-17		28,679
Encumbrances Payable	D-13	14,603	
Accrued Interest Paid	D-15	153,211	
Prior Year Refund	D-1	330	
Water Overpayments Refunded		1,195	
Due Current Fund	A-4	367,000	
Due Sewer Operating Fund	E-5	3,523	
Due Water Operating Fund	D-5		56
		<u>2,488,014</u>	<u>28,735</u>
Balance December 31, 2010	D	<u>155,192</u>	<u>140,771</u>

SCHEDULE OF WATER UTILITY CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	D-5	155,192	140,771
Increased by:			
Cash Receipts Record		465,891	336
		<u>621,083</u>	<u>141,107</u>
Decreased by:			
Cash Disbursements Record		451,627	2,749
Balance February 28, 2011	D-6	<u>169,456</u>	<u>138,358</u>

Cash Reconciliation - February 28, 2011

Balance per Statement			
First Colonial Bank		179,763	138,358
Add: Deposit in Transit		5,043	
Less: Outstanding Checks		15,350	
Balance February 28, 2011	D-6	<u>169,456</u>	<u>138,358</u>

ANALYSIS OF WATER UTILITY CAPITAL FUND CASH

	Receipts		Disbursements			Balance Dec. 31, 2010
	Balance Dec. 31, 2009	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers	
Fund Balance	16,298				4	16,302
Capital Improvement Fund	206					206
Encumbrances Payable					2,560	5,120
Due Water Utility Operating Fund	7	61		56		12
Due Current Fund	(165,000)	165,000				
Improvement Authorizations: Ordinance						
<u>Number</u>						
1163 Various Capital Improvements	4				(4)	
1382 Various Capital Improvements	152,930		28,679		(2,560)	121,691
	<u>4,445</u>	<u>165,061</u>	<u>28,679</u>	<u>56</u>		<u>143,331</u>
Ref.	D	D-5	D-17	D-5		D

EXHIBIT D-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER

	<u>Ref.</u>	
Balance December 31, 2009	D	153,084
Increased by:		
Utility Rents Levied		2,231,440
		<hr/>
		2,384,524
Decreased by:		
Collections	D-5	2,221,811
Overpayments Applied	D-3	7,847
Canceled		3,467
Transfer to Liens	D-9	223
		<hr/>
		2,233,348
		<hr/>
Balance December 31, 2010	D	<u><u>151,176</u></u>

EXHIBIT D-9

SCHEDULE OF WATER UTILITY LIENS RECEIVABLE

	<u>Ref.</u>	
Increased by:		
Transfer from Water Rents	D-8	223
Interest and Costs on Sale		87
		<hr/>
Balance December 31, 2010	D	<u><u>310</u></u>

SCHEDULE OF FIXED CAPITAL - WATER CAPITAL FUND

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Intangible Plant:		
Organization	10,997	10,997
Source of Supply Plant:		
Land & Land Rights	29,769	29,769
Structures & Improvements	246,246	246,246
Wells & Springs	1,253,912	1,253,912
Supply Mains	83,469	83,469
Pumping Plant:		
Structures & Improvements	450,139	450,139
Electric Pumping Equipment	88,093	88,093
Diesel Pumping	28,908	28,908
Water Treatment Plant:		
Structures & Improvements	1,034,952	1,034,952
Water Treatment Equipment	90,376	90,376
Transmission & Distribution Plant:		
Structures & Improvements	265,971	265,971
Distribution Reservoirs & Standpipes	772,225	772,225
Transmission & Distribution Mains	3,028,696	3,028,696
Fire Mains	42,753	42,753
Services	100,371	100,371
Meters	270,990	270,990
Meter Installation	44,354	44,354
Hydrants	50,632	50,632
General Plant:		
Land & Land Rights	7,292	7,292
Structures & Improvements	72,811	72,811
Office Furniture & Equipment	9,748	9,748
Transportation Equipment	42,140	42,140
Other General Equipment	3,495	3,495
	<u>8,028,339</u>	<u>8,028,339</u>
Ref.	D	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Purpose	Ordinance		Balance		Balance
		Date	Amount	Dec. 31, 2009	Canceled	Dec. 31, 2010
1162	Various Capital Improvements	08/03/98	410,000	4	4	
1382	Various Capital Improvements	08/01/05	1,500,000	1,500,000		1,500,000
1465	Refunding Bonds	06/01/09	128,867	128,867		128,867
				<u>1,628,871</u>	<u>4</u>	<u>1,628,867</u>
			Ref.	D	D-16	D

SCHEDULE OF 2009 APPROPRIATION RESERVES - WATER

	Balance Dec. 31, 2009	Paid or Charged	Balance Lapsed
Operating:			
Other Expenses	22,109	20,015	2,094
Other Accounts - No change	2		2
	22,111	20,015	2,096
Ref.	D	D-5	D-1

SCHEDULE OF ENCUMBRANCES PAYABLE - WATER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2009	D	14,603	
Increased by:			
Charges to:			
2010 Appropriations	D-4	4,406	
Improvement Authorizations	D-17		2,560
		19,009	2,560
Decreased by:			
Payments	D-5	14,603	
Balance December 31, 2010	D	4,406	2,560

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2009	<u>Ref.</u> D	206
Balance December 31, 2010	D	<u>206</u>

EXHIBIT D-15

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

Balance December 31, 2009	<u>Ref.</u> D	<u>Bonds</u> 54,495
Increased by:		
Budget Appropriation for:		
Interest on Bonds and Notes	D-4	149,192
		<u>203,687</u>
Decreased by:		
Interest Paid	D-5	153,211
Balance December 31, 2010	D	<u>50,476</u>

Analysis of Accrued Interest December 31, 2010

<u>Principal Outstanding Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
300,534	Varies	8/1/10	12/31/10	5 Months	6,616
560,000	Varies	10/1/10	12/31/10	3 Months	6,151
383,000	Varies	11/15/10	12/31/10	1.5 Months	2,273
2,302,500	Varies	8/1/10	12/31/10	5 Months	35,436
<u>3,546,034</u>					<u>50,476</u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>	<u>Transferred To Reserve for Amortization</u>
1163	Various Capital Improvements	08/03/98	4	4	
1419	Purchase of Water Meters	11/06/06	250		250
			<u>254</u>	<u>4</u>	<u>250</u>
		Ref.	D	D-11	

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - WATER

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2009		Paid or Charged	Encumbered	Canceled	Balance Dec. 31, 2010	
				Funded	Unfunded				Funded	Unfunded
1162	Various Capital Improvements	08/03/98	410,000	4				4		
1382	Various Capital Improvements	08/01/05	1,500,000	152,930		28,679	2,560		121,691	
1465	Refunding Bonds	06/01/09	128,867		128,867					128,867
				152,934	128,867	28,679	2,560	4	121,691	128,867
		Ref.		D	D	D-5	D-13	D-2	D	D

SCHEDULE OF WATER SERIAL BONDS

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance		Balance Dec. 31, 2010
			December 31, 2010			Dec. 31, 2009	Decreased	
			Date	Amount				
08/01/93	Water Bonds	1,470,000	8/1/11/13	100,178	5.30%	394,178	93,644	300,534
10/01/98	Water Bonds	1,090,000	10/1/11/13	70,000	4.30%	610,000	50,000	560,000
			10/1/14	70,000	4.35%			
			10/1/15	70,000	4.40%			
			10/1/16	70,000	4.45%			
			10/1/17	70,000	4.50%			
			10/1/18	70,000	4.55%			
12/04/02	Water Bonds	558,000	11/15/11	25,000	5.000%	407,000	24,000	383,000
			11/15/12	26,000	5.000%			
			11/15/13	27,000	5.125%			
			11/15/14	28,000	4.000%			
			11/15/15	29,000	4.300%			
			11/15/16	31,000	4.300%			
			11/15/17	32,000	5.250%			
			11/15/18	34,000	5.250%			
			11/15/19	35,000	4.625%			
			11/15/20	37,000	4.625%			
			11/15/21	39,000	4.750%			
			11/15/22	40,000	4.750%			
02/01/08	Water Bonds	2,420,500	2/1/10	102,000	3.125%	2,361,500	59,000	2,302,500
			2/1/11	105,000	3.250%			
			2/1/12	108,000	3.250%			
			2/1/13	111,000	3.250%			
			2/1/14	70,000	3.250%			
			2/1/15	73,000	3.250%			
			2/1/16	108,000	3.500%			
			2/1/17	112,000	3.500%			
			2/1/18	115,000	3.625%			
			2/1/19	120,000	3.750%			
			2/1/20	124,000	4.000%			
			2/1/21	129,000	4.000%			
			2/1/22	135,000	4.000%			
			2/1/23	141,000	4.000%			
			2/1/24	146,000	4.000%			
			2/1/25	155,000	4.000%			
			2/1/26	161,000	4.000%			
			2/1/27	170,000	4.000%			
			2/1/28	176,500	4.000%			
						3,772,678	226,644	3,546,034
					Ref.	D		D

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2010</u>
1465	Refunding Bonds	<u>128,867</u>	<u>128,867</u>

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2009	E	<u>(1,213)</u>	<u>4,174</u>
Increased by:			
Consumer Accounts Receivable	E-8	1,708,381	
Miscellaneous Revenues	E-3	9,175	194
Loans Receivable			18,031
Due from Current Fund	A-4	268,000	1,110,000
Utility Rent Overpayments		5,889	
Due General Capital Fund	C-2	7,000	
Due Water Operating Fund	D-5	3,523	
Due Sewer Operating Fund	E-5		37,200
Due Sewer Capital Fund	E-5	37,237	
		<u>2,039,205</u>	<u>1,165,425</u>
		2,037,992	1,169,599
Decreased by:			
Budget Appropriations	E-4	1,540,544	
Appropriation Reserves	E-12	3,756	
Improvement Authorizations	E-17		159,229
Encumbrances Payable	E-13	7,514	3,406
Accrued Interest Paid	E-15	138,903	
Due Current Fund	A-4	208,000	
Due General Capital Fund	C-2	7,000	
Due Sewer Capital Fund	E-5	37,200	
Due Sewer Operating Fund	E-5		37,237
		<u>1,942,917</u>	<u>199,872</u>
Balance December 31, 2010	E	<u>95,075</u>	<u>969,727</u>

SCHEDULE OF SEWER UTILITY CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	E-5	95,075	969,727
Increased by:			
Cash Receipts Record		374,085	4,130
		469,160	973,857
Decreased by:			
Cash Disbursements Record		337,690	82,841
Balance February 28, 2011	E-6	131,470	891,016

Cash Reconciliation - February 28, 2011

Balance per Statement			
First Colonial Bank		129,289	906,327
Add: Deposit in Transit		2,181	
Less: Outstanding Checks			15,311
Balance February 28, 2011	E-6	131,470	891,016

ANALYSIS OF SEWER UTILITY CAPITAL FUND CASH

	Balance Dec. 31, 2009	Receipts		Disbursements		Transfers		Balance Dec. 31, 2010	
		Loan	Miscellaneous	Improvement Authorization	Miscellaneous	From	To		
Fund Balance	14,417						252	14,669	
Capital Improvement Fund	12,391							12,391	
Encumbrances Payable	3,406				3,406				
Due from NJ Environmental Infrastructure Trust	(18,031)	18,031							
Due Sewer Utility Operating Fund	6		37,394		37,237			163	
Due Current Fund	(1,110,000)		1,110,000						
Improvement Authorizations:									
<u>Ordinance #</u>									
1116	Replacement of Sewer Mains						2		
1163	Construction of Sewer Lines						84		
1259	Sewer Utility Improvements			18,031				160,384	
1284	Replacement of Maple Ave. Sewer Lines						166		
1382	Various Capital Improvements				141,198			782,120	
		4,174	18,031	1,147,394	159,229	40,643	252	252	969,727
Ref.	E	E-5	E-5	E-17	E-5			E	

EXHIBIT E-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER

	<u>Ref.</u>	
Balance December 31, 2009	E	2,425
Increased by:		
Utility Rents Levied		1,716,941
		<hr/>
		1,719,366
Decreased by:		
Collections	E-5	1,708,381
Overpayments Applied	E-3	7,377
Canceled		65
Transfer to Liens	E-9	339
		<hr/>
		1,716,162
		<hr/>
Balance December 31, 2010	E	<u><u>3,204</u></u>

EXHIBIT E-9

SCHEDULE OF SEWER UTILITY LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2009	E	155
Increased by:		
Transfer from Sewer Rents	E-8	339
Interest and Costs on Sale		10
		<hr/>
		349
		<hr/>
Balance December 31, 2010	E	<u><u>504</u></u>

SCHEDULE OF FIXED CAPITAL - SEWER CAPITAL FUND

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Pumping Station	18,125	18,125
Sewer Extension Pumping Station	15,659	15,659
Lower Level Sewer	5,172	5,172
Maple Avenue Sewer	122,328	122,328
Extension and Improvement to:		
Sewer Plant	294,790	294,790
Chlorinator	744	744
Manholes	937	937
Sewer Lines	1,981,014	1,981,014
Sewer Mains	936,397	936,397
General Equipment	24,328	24,328
Plant Equipment	26,416	26,416
Vineyard Extension	36,271	36,271
Transportation Equipment	772	772
Sewer Treatment Plant & Relief Sanitary Sewers	320,380	320,380
Construction of Sanitary Truck System - South Cooper River Drive & Construction of Sewerage Pumping Station at Garfield & Hillcrest Avenue	113,301	113,301
Construction of Sanitary Collecting Sewers, Sewer Pumping Station and Additions to Sewerage Treatment Plant	545,104	545,104
Garage	1,500	1,500
Reconstruction of Cedar Avenue - Sanitary Sewer, Diesel Building - Cattell Avenue & Newton Creek, Piping & Floater Cover for Digestion Tank	15,000	15,000
Reconstruction of Portions of Sewerage Treatment Plant on Newton Avenue Between Cattell Avenue & Comley Avenue, Purchase of Equipment to Determine Cause of Ground Water Infiltration, Construction of Sewer Manholes & Traps	421,237	421,237
	<u>4,879,475</u>	<u>4,879,475</u>
Ref.	E	E

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED - SEWER

Ordinance Number	Purpose	Ordinance		Balance	Canceled	Balance
		Date	Amount	Dec. 31, 2009		Dec. 31, 2010
1116	Replacement of Sewer Mains	01/21/97	900,000	2	2	
1163	Construction of Sewer Lines	08/03/98	280,000	84	84	
1259	Sewer Utility Improvements	07/02/01	590,000	194,902		194,902
1284	Replacement of Maple Ave. Sewer Lines	02/04/03	20,000	166	166	
1383	Various Capital Improvements	08/01/05	1,500,000	1,500,000		1,500,000
1460	Rehabilitation of Wet Wells	05/04/09	800,000	800,000		800,000
1465	Refunding Bonds	06/01/09	136,885	136,885		136,885
				<u>2,632,039</u>	<u>252</u>	<u>2,631,787</u>
			Ref.	E	E-17	E

EXHIBIT E-12

SCHEDULE OF 2009 APPROPRIATION RESERVES - SEWER

	<u>Balance Dec. 31, 2009</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Other Expenses	13,248	3,756	9,492
Other Accounts - No change	657		657
	<u>13,905</u>	<u>3,756</u>	<u>10,149</u>
Ref.	E	E-5	E-1

EXHIBIT E-13

SCHEDULE OF ENCUMBRANCES PAYABLE - SEWER

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2009	E	7,514	3,406
Increased by:			
Charges to:			
2010 Appropriations	E-4	207	
		<u>7,721</u>	<u>3,406</u>
Decreased by:			
Payments	E-5	7,514	3,406
Balance December 31, 2010	E	<u>207</u>	

EXHIBIT E-14

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	E	12,391
Balance December 31, 2010	E	<u>12,391</u>

EXHIBIT E-15

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

	<u>Ref.</u>	<u>Bonds & Loans</u>
Balance December 31, 2009	E	46,630
Increased by:		
Budget Appropriation for:		
Interest on Bonds and Notes	E-4	139,282
		<u>185,912</u>
Decreased by:		
Interest Paid	E-5	138,903
Balance December 31, 2010	E	<u>47,009</u>

Analysis of Accrued Interest December 31, 2010

<u>Principal Outstanding Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
54,178.00	Varies	08/01/10	12/31/10	5 Months	1,193
560,000.00	Varies	10/01/09	12/31/10	3 Months	6,151
340,000.00	Varies	08/01/10	12/31/10	5 Months	7,281
207,265.00	Varies	08/01/10	12/31/10	5 Months	4,115
180,000.00	Varies	08/01/10	12/31/10	5 Months	3,208
1,598,500.00	Varies	08/01/10	12/31/10	5 Months	25,061
<u>2,939,943.00</u>					<u>47,009</u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2009</u>	<u>Canceled</u>
1116	Replacement of Sewer Mains	01/21/97	2	2
1163	Construction of Sewer Lines	08/03/98	84	84
1284	Replacement of Maple Avenue Sewer Lines	02/04/04	166	166
			<u>252</u>	<u>252</u>
		Ref.	E	E-11

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - SEWER

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2009		Paid or Charged	Canceled	Balance Dec. 31, 2010	
				Funded	Unfunded			Funded	Unfunded
1116	Replacement of Sewer Main	01/21/97	900,000	2			2		
1163	Construction of Sewer Lines	08/03/98	280,000	84			84		
1259	Sewer Utility Improvements	07/02/01	590,000	178,415	16,487	18,031		160,384	16,487
1259	Replacement of Maple Ave. Sewer Lines	02/04/02	20,000	166			166		
1383	Various Capital Improvements	08/01/05	1,500,000	923,318		141,198		782,120	
1460	Rehabilitation of Wet Wells	05/04/09	800,000		800,000				800,000
1465	Refunding Bonds	06/01/09	136,885		136,885				136,885
				1,101,985	953,372	159,229	252	942,504	953,372
			Ref.	E	E	E-5	E-16	E	E

SCHEDULE OF SEWER SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2009	Decreased	Balance Dec. 31, 2010
			December 31, 2010					
			Date	Amount				
08/01/93	Sewer Bonds	265,000	8/1/11	18,059	5.250%	71,059	16,881	54,178
			8/1/12/13	18,059	5.300%			
10/01/98	Sewer Bonds	1,135,000	10/1/11/13	70,000	4.300%	620,000	60,000	560,000
			10/1/14	70,000	4.350%			
			10/1/15	70,000	4.400%			
			10/1/16	70,000	4.450%			
			10/1/17	70,000	4.500%			
			10/1/18	70,000	4.550%			
02/01/08	Sewer Bonds	1,712,500	2/1/11	75,000	3.250%	1,671,500	73,000	1,598,500
			2/1/12	77,000	3.250%			
			2/1/13	79,000	3.250%			
			2/1/14	50,000	3.250%			
			2/1/15	52,000	3.250%			
			2/1/16	77,000	3.500%			
			2/1/17	79,000	3.500%			
			2/1/18	81,000	3.625%			
			2/1/19	85,000	3.750%			
			2/1/20	87,000	4.000%			
			2/1/21	91,000	4.000%			
			2/1/22	95,000	4.000%			
			2/1/23	99,000	4.000%			
			2/1/24	104,000	4.000%			
			2/1/25	110,000	4.000%			
			2/1/26	114,000	4.000%			
			2/1/27	120,000	4.000%			
2/1/28	123,500	4.000%						
						2,362,559	149,881	2,212,678
					Ref.	E		E

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
SEWER CAPITAL FUND

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	Loan Issued	Balance Dec. 31, 2010
1259	Sewer Utility Improvements	16,487		16,487
1460	Rehabilitation of Wet Wells	800,000	726,000	74,000
1465	Refunding Bonds	136,885		136,885
		<u>953,372</u>	<u>726,000</u>	<u>227,372</u>
	Ref.		E-20	

SCHEDULE OF NJ WASTEWATER TREATMENT TRUST LOAN

		2000 Series		
	Ref.	Trust Loan	Fund Loan	Total
Balance December 31, 2009	E	365,000	292,972	657,972
Decreased by:				
Principal Payments		25,000	26,263	51,263
Balance December 31, 2010	E	340,000	266,709	606,709
		2001 Series		
		Trust Loan	Fund Loan	Total
Balance December 31, 2009	E	222,265	170,325	392,590
Decreased by:				
Principal Payments		15,000	16,620	31,620
Balance December 31, 2010	E	207,265	153,705	360,970
		2010 Series		
		Trust Loan	Fund Loan	Total
Increased by:				
Loan Issued	E-19	180,000	546,000	726,000
Decreased by:				
Principal Payments			18,508	18,508
Balance December 31, 2010		180,000	527,492	707,492
		Combined		
		Trust Loan	Fund Loan	Total
Balance December 31, 2009	E	587,265	463,297	1,050,562
Increased by:				
Loan Issued		180,000	546,000	726,000
		767,265	1,009,297	1,776,562
Decreased by:				
Principal Payments		40,000	61,391	101,391
Balance December 31, 2010	E	727,265	947,906	1,675,171

PARKING UTILITY FUND

EXHIBIT F-4

SCHEDULE OF PARKING UTILITY FUND CASH - TREASURER

Balance December 31, 2009	<u>Ref.</u> F	(30,201)
Increased by:		
Parking Meter Revenue	F-2	49,140
Miscellaneous Revenue not Anticipated	F-2	311
Due Current Fund		91,860
		<hr/>
		141,311
		<hr/>
		111,110
Decreased by:		
Budget Appropriations	F-3	4,213
Encumbrances Payable	F-7	37,000
		<hr/>
		41,213
		<hr/>
Balance December 31, 2010	F	<u>69,897</u>

EXHIBIT F-5

SCHEDULE OF PARKING UTILITY FUND CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5 - TREASURER

Balance December 31, 2010	<u>Ref.</u> F-4	69,897
Increased by:		
Cash Receipts Record		6,509
		<hr/>
		76,406
Decreased by:		
Cash Disbursements Record		2,942
		<hr/>
Balance February 28, 2011	F-5	<u>73,464</u>

Cash Reconciliation - February 28, 2011

Balance per Statement		
First Colonial Bank	F-5	<u>73,464</u>

SCHEDULE OF 2009 APPROPRIATION RESERVES - PARKING UTILITY FUND

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Lapsed</u>
Other Accounts - No Change	<u>22,604</u>	<u>22,604</u>
Ref.	<u>F</u>	<u>F-1</u>

SCHEDULE OF ENCUMBRANCES PAYABLE - PARKING UTILITY FUND

Balance December 31, 2009	Ref. F	37,040
Increased by:		
Charges to:		
2010 Appropriations	F-3	<u>280</u>
		37,320
Decreased by:		
Payments	F-4	37,000
Canceled	F-1	<u>40</u>
		<u>37,040</u>
Balance December 31, 2010		<u><u>280</u></u>

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:11-4 states "Every contract or agreement awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertisement for the following items:

Automated Photo Enforcement System
Reconstruction East Palmer
Collingswood Avenue Bump Out Project
Robert's Park Sewerage Pump Station

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11.5.

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

Our examination of expenditures did not reveal any individual payment contracts or agreement in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

N.J.S.A. 40A:11-6.1 requires that at least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount. Quotes were not obtained for two rehabilitation projects selected for testing.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 4, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, Chapter 104 P.L. 1965, amending R.S. 54:4-67 authorized municipalities to provide a grace period, not exceeding ten (10) days within which an installment of taxes or assessments may be received without an additional charge of interest; and

WHEREAS, N.J.S.A 54:4-67 also provides that a governing body may also fix a penalty to a taxpayer charged with a delinquency in excess of ten thousand dollars (\$10,000.00) who fails to pay that delinquency prior to the end of the calendar year;

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Borough of Collingswood, County of Camden and State of New Jersey that pursuant to N.J.S.A. 54:4-67, the rate of interest on delinquent tax installments and assessments for the year 2010 be and the same is hereby fixed at eight percent per annum on the first \$1,500 of delinquency and eighteen percent per annum on any amount in excess of \$1,500;

BE IT FURTHER RESOLVED, that for the tax year 2010, a six percent (6%) flat penalty shall be added at the end of each year for delinquencies which exceed ten thousand dollars (\$10,000);

BE IT FURTHER RESOLVED, that no interest be charged if payment of an installment is made within ten (10) days after the date on which same became payable.

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 17, 2010. Bankruptcies from prior years were not sold. The tax sale was not complete. Several utility accounts and tax abatements were not included in the tax sale.

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

<u>Year</u>	<u>Number of Liens</u>
2010	8
2009	3
2008	2

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

OTHER COMMENTS

Chief Financial Officer/Treasurer

The records maintained by the Chief Financial Officer and Treasurer were found to be in compliance with requirements prescribed by Division of Local Government Services, state statutes, and administrative code requirements with the following exceptions:

1. There were interfund loans existing as of year end that should be cleared.
2. There were overexpenditures of a current year appropriations, grants appropriated, expenditures without appropriations and a deficit in the Animal Control Trust Fund.
3. Some professional service vendors were not provided form 1099 Misc when required by the Internal Revenue Code. Form W-9 (Request for Taxpayer identification number and certification) assists in determining which vendors are required to receive a 1099 Misc.

Revenue and Finance

The records maintained by the Revenue and Finance Supervisor were found to be in compliance with requirements prescribed by Division of Local Government Services, state statutes, and administrative code requirements with the following exception: the tax sale did not include some required water and sewer utility rents and abatements.

Ancillary Departments

The financial records maintained by the Construction Code Office and Borough Clerk were found to be properly maintained.

Municipal Court

The financial records maintained by the Borough of Collingswood Joint Court were found to be properly maintained.

Corrective Action Plan

The Administrator filed a corrective action plan for the year 2009 with the Division of Local Government Services. Corrective action was not implemented for all recommendations.

STATUS OF PRIOR RECOMMENDATIONS

The following findings appeared in prior reports and corrective action has not been taken.

SIGNIFICANT DEFICIENCY

- 2009-2 Finding: There were interfund loans existing as of year end.
- 2009-3 Finding: The tax sale did not contain all required utility rents.
- 2009-4 Finding: There were over-expenditures of grants.

FINDINGS AND RECOMMENDATIONS

DEFICIENCY

- 2010-1 Finding: Some professional service vendors were not provided form 1099 Misc when required by the Internal Revenue Code. Form W-9 (Request for Taxpayer identification number and certification) assists in determining which vendors are required to receive a 1099 Misc.

Recommendation: Internal Revenue Service form 1099 Misc be prepared for required vendors.

SIGNIFICANT DEFICIENCY

- *2010-2 Finding: There were interfund loans existing as of year end.

Recommendation: The Treasurer clear all interfunds at the end of the year.

*2010-3 Finding: The tax sale did not contain all required utility rents and tax abatements.

Recommendation: All property subject to tax sale be included in the sale as required by N.J.S.A. 54:5 et seq.

*2010-4 Finding: There were overexpenditures of a current year appropriations, grants appropriated, expenditures without appropriations and a deficit in the Animal Control Trust Fund.

Recommendation: The Treasurer ensure sufficient appropriations are available in budget line items prior to expending funds.

2010-5 Finding: Quotes were not obtained for two rehabilitation projects selected for testing.

Recommendation: At least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount as required by N.J.S.A. 40A:11-6.1.

* These recommendations appeared in prior reports and corrective action was not taken.

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

Should any question arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

We received the complete cooperation of all the officials of the Borough and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252