

**TOWNSHIP OF BERLIN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED JUNE 30, 2011**



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TOWNSHIP OF BERLIN
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Berlin
West Berlin, New Jersey 08091

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Berlin, in the County of Camden, State of New Jersey as of June 30, 2011 and 2010, and the related statements of operations and changes in fund balance-- regulatory basis for the fiscal years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the fiscal year ended June 30, 2011. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Berlin, in the County of Camden, State of New Jersey, as of June 30, 2011 and 2010, or the results of its operations and changes in fund balance for the fiscal years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Berlin, in the County of Camden, State of New Jersey, as of June 30, 2011 and 2010, and the results of its operations and changes in fund balance-- regulatory basis of such funds for the fiscal years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, and general fixed assets, for the fiscal year ended June 30, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

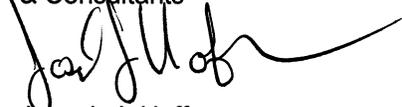
In accordance with Government Auditing Standards, we have also issued our report dated January 6, 2012 on our consideration of the Township of Berlin, in the County of Camden, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in assessing the results of our audit.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
January 6, 2012

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

The Honorable Mayor and
Members of the Township Council
Township of Berlin
West Berlin, New Jersey 08091

We have audited the financial statements (regulatory basis) of the Township of Berlin, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated January 6, 2012, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

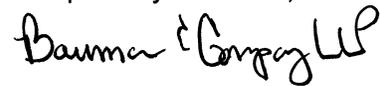
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses.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

Compliance and Other Matters

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
January 6, 2012

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of June 30, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Current Fund:			
Cash--Treasurer	SA-1	\$ 813,780.53	\$ 709,042.92
Cash--Change Funds	SA-3	250.00	250.00
Due from State of New Jersey	SA-4	<u>36,960.67</u>	<u>38,404.77</u>
		<u>850,991.20</u>	<u>747,697.69</u>
Receivables and Other Assets with Full Reserves:			
Tax Title Liens Receivable	SA-5	6,977.78	4,807.95
Property Acquired for Taxes--Assessed Valuation	A	300,000.00	300,000.00
Delinquent Property Taxes Receivable	SA-6	2,134.48	2,903.98
Revenue Accounts Receivable	SA-7	11,675.91	15,044.12
Maintenance Lein Receivable	SA-1	415.00	285.00
Due from Trust--Animal Control Funds	SB-3		5,300.00
Due Trust--Other Funds	SA-1		39.55
Due General Capital Fund	SC-3		92.63
Due from Federal and State Grant Fund	SA-1		<u>8,337.34</u>
		<u>321,203.17</u>	<u>336,810.57</u>
		<u>1,172,194.37</u>	<u>1,084,508.26</u>
Federal and State Grant Fund:			
Cash--Treasurer	SA-1	200,977.48	
Federal and State Grants Receivable	SA-20	<u>1,001,287.50</u>	<u>1,043,621.00</u>
		<u>1,202,264.98</u>	<u>1,043,621.00</u>
		<u>\$ 2,374,459.35</u>	<u>\$ 2,128,129.26</u>

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of June 30, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-9	\$ 136,781.11	\$ 132,874.76
Reserve for Encumbrances	A-3 & SA-9	93,777.41	93,085.49
Accounts Payable	A-1		4,400.00
Reserve for Premiums Received at Tax Sales	SA-8		75,200.00
Tax Overpayments	SA-1 ; SA-2		1,196.84
Prepaid Taxes	SA-10	42,506.38	27,099.07
Due Trust--Other Funds	SB-2 ; SB-6	57,480.60	
Due General Capital Fund	SC-3	875.33	
Due Sewer Operating Fund	SD-1 ; D-3	1,147.61	160.76
State Training Fees Due to State of New Jersey	SA-13	1,032.00	908.00
Marriage License Fees Due to State of New Jersey	SA-14	75.00	250.00
Reserve for NPP - Homeowner Share	SA-11		2,340.79
		<u>333,675.44</u>	<u>337,515.71</u>
Reserve for Receivables and Other Assets	A	321,203.17	336,810.57
Fund Balance	A-1	<u>517,315.76</u>	<u>410,181.98</u>
		<u>1,172,194.37</u>	<u>1,084,508.26</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-1		8,337.34
Accounts Payable	SA-1 ; SA-22	254,966.00	2,100.00
Reserve for Federal and State Grants--Appropriated	SA-22	<u>947,298.98</u>	<u>1,033,183.66</u>
		<u>1,202,264.98</u>	<u>1,043,621.00</u>
		<u>\$ 2,374,459.35</u>	<u>\$ 2,128,129.26</u>

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

TOWNSHIP OF BERLIN
CURRENT FUND

Statement of Operations and Changes in Fund Balance--Regulatory Basis
For the Fiscal Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other</u>		
<u>Income Realized</u>		
Fund Balance Utilized	\$ 371,700.00	\$ 682,000.00
Miscellaneous Revenue Anticipated	2,163,308.63	2,438,521.44
Receipts from Current Taxes	17,683,924.38	16,750,784.92
Non-Budget Revenue	100,992.39	74,485.91
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	130,161.89	205,068.08
Cancellation of Accounts Payable	4,400.00	
Liquidation of Reserves for:		
Miscellaneous Accounts Receivable		15,257.63
Due Bank		197.11
Due from Trust--Other Funds	39.55	20.77
Due from Trust--Animal Control Fund	5,300.00	
Due from Open Space Trust Fund		527.05
Due from Sewer Operating Fund		300.00
Due from General Capital Fund	92.63	369.49
Due from Federal and State Grant Fund	8,337.34	31,896.84
	<u>20,468,256.81</u>	<u>20,199,429.24</u>
Total Income		
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	2,805,112.00	3,101,430.00
Other Expenses	2,617,160.00	2,311,350.00
Deferred Charges and Statutory Expenditures	815,908.38	695,230.47
Excluded from "CAPS":		
Operations:		
Salaries and Wages	61,749.89	66,040.56
Other Expenses	286,641.94	568,574.32
Municipal Debt Service	1,026,352.57	928,833.41
County Taxes	3,893,745.73	3,719,966.90
Local District School Taxes	7,844,102.00	7,814,321.00
Fire District Taxes	453,114.00	442,064.00
Due County of Added and Omitted Taxes	45,829.67	37,914.28
Municipal Open Space Taxes	139,576.85	138,434.08

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Operations and Changes in Fund Balance--Regulatory Basis
For the Fiscal Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Expenditures (Cont'd)</u>		
Creation of Reserves for:		
Due from Trust--Animal Control Fund		\$ 1,000.00
Miscellaneous Accounts Receivable	\$ 130.00	
Total Expenditures	<u>19,989,423.03</u>	<u>19,825,159.02</u>
Excess in Revenue	478,833.78	374,270.22
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute Deferred Charges to Budget of		
Succeeding Year	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	478,833.78	374,270.22
<u>Fund Balance</u>		
Balance July 1	<u>410,181.98</u>	<u>717,911.76</u>
Decreased by:	889,015.76	1,092,181.98
Utilized as Revenue	<u>371,700.00</u>	<u>682,000.00</u>
Balance June 30	<u>\$ 517,315.76</u>	<u>\$ 410,181.98</u>

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

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 371,700.00	-	\$ 371,700.00	-
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	4,266.00		4,446.00	\$ 180.00
Other	45,903.00		45,722.00	(181.00)
Fees and Permits:				
Other	21,160.00		32,385.00	11,225.00
Fines and Costs:				
Municipal Court	166,345.00		156,881.12	(9,463.88)
Interest and Cost on Taxes	44,082.00		50,238.26	6,156.26
Interest on Investments and Deposits	8,992.00		2,267.09	(6,724.91)
Franchise Taxes--Cable TV	52,537.00		57,650.33	5,113.33
Energy Receipts Tax	1,287,847.00		1,287,847.00	
Dedicated Uniform Construction Code Fees offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C.5:23-23-4.17):				
Uniform Construction Code Fees	101,409.00		116,790.00	15,381.00
Public and Private Programs Off-Set with Appropriations:				
New Jersey Department of Transportation		\$ 200,000.00	200,000.00	
Drunk Driving Enforcement Fund		2,659.99	2,659.99	
Community Development Block Grant		33,255.00	33,255.00	
Clean Communities Program		10,127.88	10,127.88	
Over the Limit Under Arrest		3,962.02	3,962.02	
Click It or Ticket		4,000.00	4,000.00	
Body Armor Replacement Grant		2,076.94	2,076.94	
Special Items of General Revenue Anticipated with Prior Written Consent of Local Government Services:				
Utility Operating Surplus of Prior Year	53,000.00		53,000.00	
Reserve for Developer's Contribution	100,000.00		100,000.00	
	<u>1,885,541.00</u>	<u>256,081.83</u>	<u>2,163,308.63</u>	<u>21,685.80</u>
Amount to be Raised by Taxes for Support of Municipal Budget including Reserve for Uncollected Taxes	<u>5,154,572.78</u>	<u>-</u>	<u>5,356,539.53</u>	<u>201,966.75</u>
Subtotal General Revenues	<u>7,040,113.78</u>	<u>256,081.83</u>	<u>7,519,848.16</u>	<u>223,652.55</u>
Budget Totals	<u>7,411,813.78</u>	<u>256,081.83</u>	<u>7,891,548.16</u>	<u>223,652.55</u>
Non-Budget Revenues	<u>-</u>	<u>-</u>	<u>100,992.39</u>	<u>100,992.39</u>
	<u>\$ 7,411,813.78</u>	<u>\$ 256,081.83</u>	<u>\$ 7,992,540.55</u>	<u>\$ 324,644.94</u>

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 17,683,924.38
Allocated to:	
Local School, Regional School, County, Special District and Municipal Open Space Taxes	<u>12,376,368.25</u>
Balance for Support of Municipal Budget Appropriations	5,307,556.13
Add: Appropriation "Reserve for Uncollected Taxes"	<u>48,983.40</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 5,356,539.53</u></u>
Licenses--Other:	
Clerk:	
Mercantile	\$ 44,510.00
Peddler	50.00
Other	1,060.00
Registrar of Vital Statistics:	
Marriage	<u>102.00</u>
	<u><u>\$ 45,722.00</u></u>
Fees and Permits--Other:	
Clerk:	
Improvement Searches	\$ 30.00
Street Excavation Permits	5,400.00
Animal Control Permits	80.00
Cell Tower Inspection Fees	9,000.00
Registrar of Vital Statistics:	
Burial Permits	2,415.00
Planning Board:	
Subdivision Fees	150.00
Site Plan Fees	2,625.00
Construction Code Official	
Continued Certificate of Occupancy	4,700.00
Zoning Board:	
Variance Fees	1,400.00
Permits	5,750.00
Tree Ordinance Fees	125.00
Tax Search Fees	<u>710.00</u>
	<u><u>\$ 32,385.00</u></u>

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

Analysis of Non-Budget Revenue

Miscellaneous Revenue not Anticipated:

Revenue Accounts Receivable:

Clerk:

Sale of Maps and Copies \$ 370.00

Police:

Gun Permits/Accident & Discovery Reports/Inmate Phone 66.00

\$ 436.00

Tax Collector:

Receipts from Delinquent Taxes:

Delinquent Tax Collections 809.84

Tax Title Lien Collections 688.98

1,498.82

Treasurer:

Police Outside Services 2,880.00

Trailer Fees 75.00

Library Book Fees 587.60

Library Book Sales 97.15

NJ DMV Inspection Fines 3,037.43

Duplicate Bills Fees 345.00

Cost of Advertising 5,704.17

Restitution 1,707.00

Sale of Township Assets 1,644.00

Yard Sales 230.00

Park Fees 3,000.00

Bid Packages Fees 790.00

FEMA Reimbursements 49,031.61

Bank Consultant Fee 195.00

Cancellation of Prior Year Outstanding Checks 31.59

Tauton Run Annual Fees 2,000.00

Unclaimed Bail Funds 3,811.00

Uncashed Court Checks 28.22

Mayor Marriage Fees 1,450.00

Returned Check Fees 40.00

Towing Applications 300.00

Administrative Costs--State of New Jersey 2,131.28

Payments In Lieu of Taxes 15,500.00

Photocopies 4,441.52

99,057.57

\$ 100,992.39

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

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS--WITHIN "CAPS"</u>						
<u>General Government</u>						
Mayor and Council						
Salaries and Wages	\$ 55,900.00	\$ 55,900.00	\$ 55,099.68		\$ 800.32	
Other Expenses	27,100.00	21,100.00	18,905.21		2,194.79	
Financial Administration						
Salaries and Wages	84,800.00	84,800.00	84,747.99		52.01	
Other Expenses	10,700.00	10,700.00	10,516.53		183.47	
Tax Assessment Administration						
Salaries and Wages	26,500.00	26,500.00	26,444.23		55.77	
Other Expenses	7,420.00	4,420.00	2,140.80		2,279.20	
Revenue Administration						
Salaries and Wages	76,200.00	76,200.00	76,115.98		84.02	
Other Expenses	14,000.00	12,000.00	8,892.67	\$ 1,631.35	1,475.98	
Township Clerk						
Salaries and Wages	66,700.00	72,700.00	72,549.89		150.11	
Other Expenses	43,900.00	30,900.00	29,993.78	175.00	731.22	
Legal Services and Costs						
Other Expenses	35,000.00	85,000.00	72,361.43	10,000.00	2,638.57	
Municipal Prosecutor						
Salaries and Wages	12,300.00	12,300.00	12,230.94		69.06	
Other Expenses	500.00	500.00			500.00	
Engineering Services and Costs						
Salaries and Wages	62,900.00	47,900.00	42,560.70		5,339.30	
Other Expenses	11,200.00	8,200.00	4,929.92	100.71	3,169.37	
Public Buildings and Grounds						
Salaries and Wages	48,100.00	30,100.00	28,241.98		1,858.02	
Other Expenses	27,500.00	27,500.00	19,244.53	2,697.75	5,557.72	
Audit Services						
Other Expenses	22,000.00	22,000.00	22,000.00			
Municipal Land Use Law (N.J.S.40:55D-1)						
Planning Board						
Other Expenses	12,500.00	9,500.00	5,416.70	1,083.34	2,999.96	

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>General Government (Cont'd)</u>						
Insurance						
Liability Insurance	\$ 121,000.00	\$ 116,000.00	\$ 115,673.32		\$ 326.68	
Workers Compensation Insurance	134,700.00	117,700.00	115,011.92		2,688.08	
Group Insurance	1,189,240.00	1,206,240.00	1,203,773.82		2,466.18	
Unemployment Compensation Insurance	48,900.00	58,900.00	58,101.13		798.87	
Municipal Court						
Salaries and Wages	105,500.00	105,500.00	105,162.20		337.80	
Other Expenses	41,150.00	41,150.00	39,706.78	\$ 229.94	1,213.28	
Public Defender						
Other Expenses	500.00	500.00			500.00	
<u>Public Safety</u>						
Police						
Salaries and Wages	1,687,200.00	1,695,200.00	1,693,365.02		1,834.98	
Other Expenses	88,750.00	85,750.00	44,556.43	36,499.83	4,693.74	
Office of Emergency Management						
Salaries and Wages	3,100.00	3,100.00	1,755.48		1,344.52	
Other Expenses	850.00	850.00	125.00		725.00	
Ambulance Association						
Other Expenses	15,000.00	13,000.00	12,081.37		918.63	
<u>Streets and Roads</u>						
Road Repairs and Maintenance						
Salaries and Wages	156,112.00	155,112.00	155,054.35		57.65	
Other Expenses	13,900.00	21,900.00	13,601.36	3,110.97	5,187.67	
Solid Waste Collection						
Salaries and Wages	251,800.00	236,300.00	235,795.10		504.90	
Other Expenses	10,700.00	10,700.00	7,451.86		3,248.14	
Vehicle Maintenance						
Salaries and Wages	104,900.00	103,900.00	103,050.44		849.56	
Other Expenses	90,300.00	93,300.00	58,350.60	9,362.39	25,587.01	
Landfill / Solid Waste Disposal Costs	173,000.00	168,000.00	148,576.02	19,332.15	91.83	

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Health and Welfare</u>						
Board of Health						
Salaries and Wages	\$ 5,000.00	\$ 5,000.00	\$ 4,628.61		\$ 371.39	
Other Expenses	500.00	500.00	463.00		37.00	
<u>Recreation and Education</u>						
Recreation Services and Programs						
Other Expenses	10,300.00	300.00			300.00	
Maintenance of Parks						
Salaries and Wages	7,800.00	6,300.00	5,482.68		817.32	
Other Expenses	16,700.00	16,700.00	13,422.25	\$ 2,369.92	907.83	
Expense of Participation in Free County Library						
Salaries and Wages	28,600.00	26,600.00	26,256.19		343.81	
Other Expenses	7,000.00	7,000.00	4,922.40	84.06	1,993.54	
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	25,800.00	7,800.00	5,431.64		2,368.36	
Uniform Construction Code -						
Appropriations Offset by Dedicated						
Revenues (N.J.A.C. 5:23-4.17)						
Construction Office						
Salaries and Wages	92,900.00	89,900.00	88,116.72		1,783.28	
Other Expenses	23,350.00	24,350.00	23,187.72		1,162.28	
Code Enforcement						
Salaries and Wages	19,700.00	19,700.00	19,089.16		610.84	
Other Expenses	1,100.00	1,100.00	678.06		421.94	

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Unclassified</u>						
Utilities:						
Telephone	\$ 37,000.00	\$ 31,000.00	\$ 26,675.66	\$ 3,000.00	\$ 1,324.34	
Street Lighting	99,200.00	90,200.00	84,360.07		5,839.93	
Electricity and Natural Gas	75,000.00	125,000.00	112,224.44		12,775.56	
Water	4,000.00	4,000.00	3,729.35		270.65	
Petroleum Products	80,000.00	90,000.00	70,489.36	4,100.00	15,410.64	
Sewerage	5,500.00	5,500.00	5,455.00		45.00	
Accumulated Sickleave Compensation	1,000.00	-				
	<u>5,422,272.00</u>	<u>5,422,272.00</u>	<u>5,198,197.47</u>	<u>93,777.41</u>	<u>130,297.12</u>	<u>-</u>
Total Operations--Within "CAPS"						
Detail:						
Salaries and Wages	2,897,012.00	2,805,112.00	2,793,186.64	-	11,925.36	-
Other Expenses	2,525,260.00	2,617,160.00	2,405,010.83	93,777.41	118,371.76	-
	<u>2,897,012.00</u>	<u>2,805,112.00</u>	<u>2,793,186.64</u>	<u>93,777.41</u>	<u>11,925.36</u>	<u>-</u>
	<u>2,525,260.00</u>	<u>2,617,160.00</u>	<u>2,405,010.83</u>	<u>93,777.41</u>	<u>118,371.76</u>	<u>-</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES--MUNICIPAL--WITHIN "CAPS"</u>						
Deferred Charges:						
Deficit in Animal Control Reserve	6,461.38	6,461.38	6,461.38			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	159,110.00	159,110.00	157,380.47		1,729.53	
Police and Fireman's Retirement System	427,037.00	427,037.00	427,037.00			
Social Security System (O.A.S.I.)	223,300.00	223,300.00	219,571.50		3,728.50	
	<u>159,110.00</u>	<u>159,110.00</u>	<u>157,380.47</u>		<u>1,729.53</u>	
	<u>427,037.00</u>	<u>427,037.00</u>	<u>427,037.00</u>			
	<u>223,300.00</u>	<u>223,300.00</u>	<u>219,571.50</u>		<u>3,728.50</u>	
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	<u>815,908.38</u>	<u>815,908.38</u>	<u>810,450.35</u>	<u>-</u>	<u>5,458.03</u>	<u>-</u>
Total General Appropriations for Municipal Purposes--Within "CAPS"	<u>\$ 6,238,180.38</u>	<u>\$ 6,238,180.38</u>	<u>\$ 6,008,647.82</u>	<u>\$ 93,777.41</u>	<u>\$ 135,755.15</u>	<u>-</u>

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u> <u>Reserved</u>	
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Solid Waste Disposal					
Recycling Tax	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00		
Employee Group Health Insurance (P.L. 2007, C.62)	21,560.00	21,560.00	21,560.00		
Storm Water Management					
Salary and Wages	45,000.00	45,000.00	45,000.00		
Other Expenses	18,750.00	18,750.00	17,724.04	\$ 1,025.96	
<u>Public and Private Programs</u>					
<u>Off-Set by Revenues</u>					
Community Development Block Grant (40A:4-87 + \$33,255.00)		33,255.00	33,255.00		
Clean Communities Program (40A:4-87 + \$10,127.88)		10,127.88	10,127.88		
Over the Limit Under Arrest (40A:4-87 + \$3,962.02)		3,962.02	3,962.02		
Click It or Ticket (40A:4-87 + \$4,000.00)		4,000.00	4,000.00		
Drunk Driving Enforcement Grant (40A:4-87 + \$2,659.99)		2,659.99	2,659.99		
Body Armor Replacement Grant (40A:4-87 + \$2,076.94)		2,076.94	2,076.94		
New Jersey Department of Transportation (40A:4-87 + \$200,000.00)		200,000.00	200,000.00		
Total Operations--Excluded from "CAPS"	<u>92,310.00</u>	<u>348,391.83</u>	<u>347,365.87</u>	<u>-</u> <u>1,025.96</u>	<u>-</u>
Detail:					
Salaries and Wages	45,000.00	61,749.89	61,749.89	-	-
Other Expenses	<u>47,310.00</u>	<u>286,641.94</u>	<u>285,615.98</u>	<u>-</u> <u>1,025.96</u>	<u>-</u>

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u> <u>Reserved</u>	
<u>MUNICIPAL DEBT SERVICE--</u>					
<u>EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	\$ 710,070.00	\$ 735,070.00	\$ 735,000.00		\$ 70.00
Interest on Bonds	223,870.00	198,870.00	192,968.64		5,901.36
Interest on Notes	98,400.00	98,400.00	98,383.93		16.07
Total Municipal Debt Service-- Excluded from "CAPS"	<u>1,032,340.00</u>	<u>1,032,340.00</u>	<u>1,026,352.57</u>	<u>-</u>	<u>5,987.43</u>
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	<u>1,124,650.00</u>	<u>1,380,731.83</u>	<u>1,373,718.44</u>	<u>-</u>	<u>5,987.43</u>
Subtotal General Appropriations	7,362,830.38	7,618,912.21	7,382,366.26	\$ 93,777.41	136,781.11
Reserve for Uncollected Taxes	48,983.40	48,983.40	48,983.40	-	-
	<u>\$ 7,411,813.78</u>	<u>\$ 7,667,895.61</u>	<u>\$ 7,431,349.66</u>	<u>\$ 93,777.41</u>	<u>\$ 136,781.11</u>
Appropriation by 40A:4-87 Budget as Adopted		\$ 256,081.83 <u>7,411,813.78</u>			
		<u>\$ 7,667,895.61</u>			
Reserve for Uncollected Taxes			\$ 48,983.40		
Reserve for Federal and State Grant Funds--Appropriated			256,081.83		
Refunds			(120,911.97)		
Disbursed			7,247,196.40		
			<u>\$ 7,431,349.66</u>		

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

TOWNSHIP OF BERLIN
TRUST FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
as of June 30, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Animal Control Fund:			
Cash	SB-1	\$ 3,898.70	
Deficit in Reserve	SB-4	1,205.20	\$ 6,461.38
		<u>5,103.90</u>	<u>6,461.38</u>
Other Funds:			
Cash--Treasurer	SB-1	488,746.71	476,184.35
Due Current Fund	SB-2	57,480.60	
Due Bank	SB-1		818.67
		<u>546,227.31</u>	<u>477,003.02</u>
Municipal Open Space Fund:			
Cash	SB-1	6,647.02	6,612.76
Due from General Capital Fund	SC-6	2,651.64	2,651.37
		<u>9,298.66</u>	<u>9,264.13</u>
		<u>\$ 560,629.87</u>	<u>\$ 492,728.53</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Cash Overdraft	SB-1		\$ 1,122.38
Due Current Fund	SB-3		5,300.00
Accounts Payable	SB-4	\$ 5,092.50	
Due to State Board of Health	SB-5	11.40	39.00
		<u>5,103.90</u>	<u>6,461.38</u>
Other Funds:			
Due Current Fund	SB-2		39.55
Due Sewer Operating	B	4.20	4.20
Reserve for Escrow Deposits	SB-6	248,891.69	238,064.58
Reserve for New Jersey Unemployment Compensation Insurance	SB-6	46,715.46	62,476.62
Reserve for Recycling Program	SB-6	22,019.45	12,593.05
Reserve for Accumulated Sick Leave	SB-6	57,030.70	66,963.99
Reserve for Redemption of Tax Sale Certificates	SB-6	17,421.41	2,027.92
Reserve for Parking Offenses Adjudication Act	SB-6	1,018.00	974.00
Reserve for Municipal Law Enforcement Grant Program Expenditures	SB-6	28,488.08	25,783.06
Reserve for Township Rehabilitation	SB-6	8,014.68	1.74
Reserve for Municipal Public Defender Fees	SB-6	2,969.18	2,081.18
Reserve for Municipal Alcohol and Drug Alliance Program	SB-6	0.37	0.37
Reserve for Snow Removal	SB-6	17,084.49	30,000.00
Reserve for NPP - Bench Program & Old West Berlin Association	SB-6	658.00	657.64
Reserve for John J. McPeak Library	SB-6	3,158.61	3,155.44
Reserve for Berlin Township Police Department	SB-6	2,511.43	4,644.25
Reserve for Premium on Tax Sale	SB-6	57,500.00	
Accounts Payable	SB-1 ; SB-6	3,838.65	1,765.10
Payroll Deductions Payable	SB-8	28,902.91	25,770.33
		<u>546,227.31</u>	<u>477,003.02</u>
Municipal Open Space Fund:			
Reserve for Future Use	SB-7	9,298.66	9,264.13
		<u>9,298.66</u>	<u>9,264.13</u>
		<u>\$ 560,629.87</u>	<u>\$ 492,728.53</u>

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

TOWNSHIP OF BERLIN
 TRUST -- MUNICIPAL OPEN SPACE FUND
 Statement of Revenues -- Regulatory Basis
 For the Fiscal Year Ended June 30, 2011

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Reserve Funds	\$ 8,621.00	\$ 8,621.00	
Amount to be Raised by Taxation	137,929.00	139,576.85	\$ 1,647.85
Miscellaneous		3.85	3.85
	<u>\$ 146,550.00</u>	<u>\$ 148,201.70</u>	<u>\$ 1,651.70</u>

Analysis of Realized Revenues

Receipts:		
Current Year Levy		\$ 139,576.85
Interest on Deposits -- Due General Capital Fund		3.85
		<u>\$ 139,580.70</u>

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

TOWNSHIP OF BERLIN
TRUST -- MUNICIPAL OPEN SPACE FUND
Statement of Expenditures -- Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>			
Operating:					
Salaries and Wages	\$ 131,000.00	\$ 131,000.00	\$ 124,000.37	-	\$ 6,999.63
Total Operating	<u>131,000.00</u>	<u>131,000.00</u>	<u>124,000.37</u>	<u>-</u>	<u>6,999.63</u>
Debt Service:					
Payment of Bond Principal	11,710.00	11,710.00	11,707.37	-	2.63
Interest on Bonds	<u>3,840.00</u>	<u>3,840.00</u>	<u>3,838.43</u>	<u>-</u>	<u>1.57</u>
Total Debt Service	<u>15,550.00</u>	<u>15,550.00</u>	<u>15,545.80</u>	<u>-</u>	<u>4.20</u>
Reserve for Future Use	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 146,550.00</u>	<u>\$ 146,550.00</u>	<u>\$ 139,546.17</u>	<u>-</u>	<u>\$ 7,003.83</u>
Disbursed			<u>\$ 139,546.17</u>		

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

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of June 30, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	SC-1	\$ 1,584,948.65	\$ 1,942,971.58
Due Current Fund	SC-3	875.33	
Deferred Charges to Future Taxation:			
Funded	SC-4	15,430,626.45	5,798,333.82
Unfunded	SC-5		10,318,000.00
		<u>17,016,450.43</u>	<u>18,059,305.40</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 15,247,500.00	\$ 5,603,500.00
Bond Anticipation Notes	SC-10		10,318,000.00
Green Acres Loan	SC-12	183,126.45	194,833.82
Contracts Payable	SC-9	78,134.75	275,682.51
Accounts Payable	SC-8	1,814.05	
Improvement Authorizations:			
Funded	SC-8	1,342,916.87	80,311.81
Unfunded	SC-8		1,323,926.59
Capital Improvement Fund	C	50,000.00	50,000.00
Reserve for Developers Contribution	SC-7	110,266.67	210,266.67
Due to Current Fund	SC-3		92.63
Due to Open Space Trust Fund	SC-6	2,651.64	2,651.37
Fund Balance	C	40.00	40.00
		<u>17,016,450.43</u>	<u>18,059,305.40</u>

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

TOWNSHIP OF BERLIN
SEWER UTILITY FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of June 30, 2011 and 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Operating Fund:			
Cash	SD-1	\$ 332,480.18	\$ 361,715.36
Due Current Fund	SD-1, D-3	1,147.61	160.76
Due Trust Other Fund	D	4.20	4.20
Due from Sewer Utility Capital Fund	SD-10	9,046.77	9,046.14
		<u>342,678.76</u>	<u>370,926.46</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-4	970.72	1,453.98
Sewer Liens Receivable	SD-7		295.00
		<u>970.72</u>	<u>1,748.98</u>
Total Receivables with Full Reserves		<u>970.72</u>	<u>1,748.98</u>
Total Operating Fund		<u>343,649.48</u>	<u>372,675.44</u>
Capital Fund:			
Cash	SD-1, SD-2	9,046.77	9,046.14
Fixed Capital	SD-5	12,491,344.10	12,491,344.10
		<u>12,500,390.87</u>	<u>12,500,390.24</u>
Total Capital Fund		<u>12,500,390.87</u>	<u>12,500,390.24</u>
		<u>\$ 12,844,040.35</u>	<u>\$ 12,873,065.68</u>

(Continued)

TOWNSHIP OF BERLIN
SEWER UTILITY FUND
Statement of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of June 30, 2011 and 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3, SD-9	\$ 12,022.82	\$ 13,801.11
Reserve for Encumbrances	D-3, SD-9	11,165.38	2,262.45
Prepaid Sewer Rents	SD-6	181,079.61	184,483.88
Accrued Interest on Bonds	SD-8	<u>128,993.58</u>	<u>117,279.22</u>
		333,261.39	317,826.66
Reserve for Receivables	D	970.72	1,748.98
Fund Balance	D-1	<u>9,417.37</u>	<u>53,099.80</u>
Total Operating Fund		<u>343,649.48</u>	<u>372,675.44</u>
Capital Fund:			
Sewer Refunding Bonds	SD-12	6,710,500.00	6,975,500.00
Reserve for Amortization	SD-11	5,780,844.10	5,515,844.10
Due to Sewer Utility Operating Fund	SD-10	<u>9,046.77</u>	<u>9,046.14</u>
Total Capital Fund		<u>12,500,390.87</u>	<u>12,500,390.24</u>
		<u>\$ 12,844,040.35</u>	<u>\$ 12,873,065.68</u>

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

TOWNSHIP OF BERLIN
SEWER UTILITY FUND

Statement of Operations and Changes in Operating Fund Balance--Regulatory Basis
For the Fiscal Years Ended June 30, 2011 and 2010

<u>Revenue and Other</u>		
<u>Income Realized</u>	<u>2011</u>	<u>2010</u>
Fund Balance		\$ 38,977.00
Rents	\$ 1,012,624.27	1,003,296.69
Connection Fees	25,170.00	85,950.00
Miscellaneous	11,325.39	10,880.40
Other Credits to Income:		
Unexpended Balances of Appropriation Reserves	13,013.78	25,319.76
Total Income	<u>1,062,133.44</u>	<u>1,164,423.85</u>
 <u>Expenditures</u>		
Operating	435,900.00	505,700.00
Debt Service	580,415.87	574,278.26
Deferred Charges and Statutory Expenditures	36,500.00	31,400.00
Total Expenditures	<u>1,052,815.87</u>	<u>1,111,378.26</u>
Excess in Revenue	9,317.57	53,045.59
 <u>Fund Balance</u>		
Balance July 1	<u>53,099.80</u>	<u>87,431.21</u>
	62,417.37	140,476.80
Decreased by:		
Utilized as Revenue:		
Current Fund Budget	53,000.00	48,400.00
Sewer Utility Fund Budget	<u>38,977.00</u>	<u>38,977.00</u>
Balance June 30	<u>\$ 9,417.37</u>	<u>\$ 53,099.80</u>

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

TOWNSHIP OF BERLIN
SEWER UTILITY OPERATING FUND
Statement of Revenues--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	\$ 1,003,078.00	\$ 1,012,624.27	\$ 9,546.27
Connection Fees	53,942.00	25,170.00	(28,772.00)
Miscellaneous	10,880.00	11,325.39	445.39
	<u>\$ 1,067,900.00</u>	<u>\$ 1,049,119.66</u>	<u>\$ (18,780.34)</u>

Analysis of Realized Revenues:

Rents:

Consumer Accounts Receivable:

Sewer Rents:

Collections

\$ 828,140.39

Prepaid Rents Applied

184,483.88

\$ 1,012,624.27

Miscellaneous:

Treasurer:

Interest Earned on Deposits--Due Sewer Utility Capital Fund

\$ 14.16

Other

348.20

Collector:

Interest on Delinquent Accounts

10,963.03

\$ 11,325.39

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

TOWNSHIP OF BERLIN
SEWER UTILITY OPERATING FUND
Statement of Expenditures--Regulatory Basis
For the Fiscal Year Ended June 30, 2011

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
Operating:						
Salaries and Wages	\$ 162,100.00	\$ 162,100.00	\$ 146,567.27		\$ 532.73	\$ 15,000.00
Other Expenses	288,800.00	288,800.00	267,932.13	\$ 11,165.38	9,702.49	
Total Operating	450,900.00	450,900.00	414,499.40	11,165.38	10,235.22	15,000.00
Debt Service:						
Payment of Bond Principal	265,000.00	265,000.00	265,000.00			
Interest on Bonds	315,500.00	315,500.00	315,415.87			84.13
Total Debt Service	580,500.00	580,500.00	580,415.87	-	-	84.13
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	23,000.00	23,000.00	23,000.00			
Social Security System (O.A.S.I.)	13,000.00	13,000.00	11,212.40		1,787.60	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	500.00	500.00	500.00			
Total Statutory Expenditures	36,500.00	36,500.00	34,712.40	-	1,787.60	-
	<u>\$ 1,067,900.00</u>	<u>\$ 1,067,900.00</u>	<u>\$ 1,029,627.67</u>	<u>\$ 11,165.38</u>	<u>\$ 12,022.82</u>	<u>\$ 15,084.13</u>
Disbursed			\$ 714,291.80			
Refunds - Due Current Fund			(80.00)			
Accrued Interest on Bonds			315,415.87			
			<u>\$ 1,029,627.67</u>			

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

TOWNSHIP OF BERLIN
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2011

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

Description of Financial Reporting Entity - Originally a portion of the Township of Waterford, Berlin was created by an act of legislations on April 11, 1990. On April 29, 1927, the Borough of Berlin seceded from the Township. Today, the township covers an area of 3.27 square miles.

The Township of Berlin is governed by a Township Council which is comprised of a Mayor and four Council Members, all of whom are elected at large. The Mayor's term of office is four years and the terms of the Council Members are three years, staggered, ending December 31.

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

Component Units - The Township of Berlin had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$500. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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

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

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

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

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

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

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

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Berlin School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the fiscal year July 1, 2010 to June 30, 2011.

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

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

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

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

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

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Of the Township's bank balances of \$3,415,938.53 as of June 30, 2011, \$214,408.30 was uninsured and uncollaterized.

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2011 the Township's deposits with the New Jersey Cash Management Fund are \$176,305.85.

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$5.313</u>	<u>\$4.926</u>	<u>\$4.790</u>	<u>\$4.714</u>	<u>\$4.616</u>
Apportionment of Tax Rate:					
Municipal (including Open Space)	\$1.688	\$1.410	\$1.293	\$1.193	\$1.081
County	1.216	1.114	1.089	1.096	1.116
Local School	2.278	2.270	2.282	2.304	2.302
Fire District	.131	.132	.126	.121	.117

Note 3: **PROPERTY TAXES (CONT'D)****Assessed Valuation**

2011	\$347,880,725.00
2010	344,824,838.00
2009	342,606,699.00
2008	341,616,361.00
2007	339,541,019.00

Comparison of Tax Levies and Collections

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>	
			<u>True Rate (1)</u>	<u>Underlying Rate (2)</u>
2011	\$17,752,261.33	\$17,683,924.38	99.61%	98.82%
2010	16,797,273.46	16,750,784.92	99.72%	98.90%
2009	16,338,538.72	16,330,722.80	99.95%	99.35%
2008	16,816,422.51	16,667,463.49	99.11%	98.53%
2007	15,823,948.23	15,805,063.20	99.88%	99.38%

(1) True Rate includes proceeds from accelerated tax sale.

(2) Underlying Rate is calculated by excluding the proceeds from the accelerated sale.

Delinquent Taxes and Tax Title Liens

<u>Fiscal Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$6,977.78	\$2,134.48	\$9,112.26	0.05%
2010	4,807.95	2,903.98	7,711.93	0.05%
2009	1,734.65	3,289.64	5,024.29	0.03%
2008	49,502.28	4,754.73	54,257.01	0.32%
2007	45,426.02	38,960.56	84,386.58	0.53%

The following comparison is made of the number of tax title liens receivable on June 30 of the last five fiscal years:

<u>Fiscal Year</u>	<u>Number</u>
2011	5
2010	6
2009	6
2008	18
2007	1

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on June 30, on the basis of the last assessed valuation of such properties, for the current and previous four fiscal years was as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2011	\$300,000.00
2010	300,000.00
2009	300,000.00
2008	71,855.00
2007	71,855.00

Note 5: **SEWER UTILITY SERVICE CHARGES**

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

<u>Fiscal Year</u>	<u>Balance Beginning of Year Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2011	\$1,453.98	---	\$1,012,141.01	\$1,013,594.99	\$1,012,624.27
2010	592.10	---	1,004,453.57	1,005,045.67	1,003,296.69
2009	559.08	---	992,712.15,	993,271.23	992,679.13
2008	890.27	---	984,358.26	985,248.53	984,689.45
2007	754.38	---	978,039.25	978,975.69	977,903.26

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Fiscal Year</u>	<u>Balance June 30</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2011	\$517,315.76	\$371,700.00	71.85%
2010	410,181.98	371,700.00	90.62%
2009	717,911.76	682,000.00	95.00%
2008	1,002,238.43	862,000.00	86.01%
2007	918,394.85	650,000.00	70.78%
<u>Sewer Utility Operating Fund</u>			
2011	\$9,417.37	\$9,409.00	99.91%
2010	53,099.80	53,000.00 (A)	99.81%
2009	87,431.21	87,377.00 (A)	99.93%
2008	82,898.40	58,584.00	70.67%
2007	9,590.50	9,517.28	99.23%

(A) Includes amounts realized in the Current Fund Budget

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of June 30, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund		\$59,503.54
Trust--Animal Control Fund		
Trust--Other Funds	\$57,480.60	4.20
Trust--Municipal Open Space Fund	2,651.37	
General Capital Fund	875.33	2,651.37
Sewer Utility Operating Fund	10,198.58	
Sewer Utility Capital Fund		9,046.77
	<u>\$71,205.88</u>	<u>\$71,205.88</u>

Note 8: **PENSION PLANS**

The Township of Berlin contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

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

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

Note 8: **PENSION PLANS (CONT'D)**

Public Employees' Retirement System (Cont'd) - The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Funded by Township</u>
2011	\$77,937.00	\$103,751.00	\$181,688.00	-	\$181,688.00
2010	74,646.00	72,834.00	147,480.00	-	147,480.00
2009	65,977.00	60,178.00	126,155.00	-	126,155.00

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Funded by Township</u>
2011	\$244,922.00	\$182,115.00	\$427,037.00	-	\$ 427,037.00
2010	215,745.00	141,394.00	357,139.00	-	357,139.00
2009	195,904.00	126,732.00	322,636.00	-	322,636.00

Note 9: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1991, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 91-139A. The Township will pay the premium or periodic charges for the benefits provided for employees who retired after 25 years or more of service credited in a state or locally administered retirement system. The Township will also reimburse such retired employees for their premium charges under Part B of the Federal Medicare Program.

Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)

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

Funding Policy - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis.

The Township contributions to SHBP for the years ended December 31, 2011, 2010, and 2009, were \$238,578.76, \$198,923.94, and \$114,594.57, respectively, which equaled the required contributions for each year. There were approximately 15, 14, and 12 retired participants eligible at December 31, 2011, 2010, and 2009, respectively.

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board Statement No. 45. The following information is provided in accordance with the requirements of the Statement.

Plan Description

In addition to the benefits described above, the Township provides post employment dental and prescription benefits, at its cost, to certain police officers. This entitlement requires that police officers retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Fraternal Order of Police and have served at least twenty-five years as a police officer in any capacity and in any jurisdiction in which that service is eligible for credit in the Police and Firemen's Pension System. The dental and prescription benefits will be in a form consistent with that provided to all active members of the Township Police Department whose service is covered by any collective bargaining agreement between the Township and the Fraternal Order of Police.

Funding Policy

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2011, there were thirteen retired employees who received this benefit resulting in the payment of \$98,629.13 in related dental and prescription premiums.

Note 9: **POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

Annual OPEB Cost and Net OPEB Obligation

The Township's annual postemployment healthcare benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB 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 Authority's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Township's net OPEB obligation to the Plan:

Normal Cost	\$98,629.00
Unfunded Actuarial Liability	<u>132,452.00</u>
Annual Required Contribution (expense)	231,081.00
Contributions made	<u>(98,629.00)</u>
	132,452.00
Net OPEB Obligation – Beginning of Year	<u>189,890.00</u>
Net OPEB Obligation – End of Year	<u><u>\$322,342.00</u></u>

Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the Township Plan was 0% funded. The actuarial accrued liability for benefits was \$4,835,129, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,835,129. Currently the covered payroll is \$1,707,171.00. 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. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented below as required supplementary information, compares the assets used for funding purposes to the comparable liabilities to determine how well the Township Plan is funded. The actuarial liability is compared to the actuarial value of assets to determine the funding ratio. The Actuarial Accrued Liability under GASB is determined assuming that the Township Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions.

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 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 3.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 7 % initially, however not exceeding \$20,000.00 annually. The Township Plan's unfunded actuarial accrued liability is being amortized over thirty years. The remaining amortization period at June 30, 2011 was twenty-nine years.

Note 9: **POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)—Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b – a)	(a / b)	(c)	((b – a) / c)
06/30/10	\$-0-	\$5,696,685	\$5,696,685	0%	N/A	N/A
06/30/11	\$-0-	\$4,835,129	\$4,835,129	0%	N/A	N/A

Schedule of Employer Contributions

Fiscal Year Ended June 30,	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2010	\$275,499	31.07%
2011	\$231,081	42.68%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	June 30, 2011
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent open
Remaining Amortization	Period 29 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	3.0%
Rate of Salary Increases	NA
Rate of Medical Inflation	6.0%
	Capped at \$20,000.00

For determining the GASB ARC, the rate of employer contributions to the Plan is composed of the Normal Cost plus amortization of the Unfunded Actuarial Liability. The Normal Cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The Actuarial Liability is that portion of the Present Value of Projected Benefits that will not be paid by Future Employer Normal Costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the Unfunded Actuarial Liability.

Note 10: **COMPENSATED ABSENCES**

Township employees are entitled to varying amounts of sick leave depending upon their department. All employees may accumulate unused sick leave with no limit. General personnel may carry unused vacation days forward to a maximum of five days. However, after one year the unused vacation leave will be forfeited. Police personnel have the option of carrying forward their unused vacation or selling days at one hundred percent (100%) of their prevailing salary rate.

Only police personnel may be compensated for accumulated sick leave upon retirement or resignation at one hundred percent (100%) of their prevailing rate for a maximum of six hundred eighty (680) hours. Any police personnel hired after January 1, 1983 must be employed continuously for a period of fifteen years before unused sick leave may be sold back to the Township. The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at June 30, 2011, accrued benefits for compensated absences are valued at \$123,288.50. A reserve in the Trust Fund has been created to fund a portion of these accrued benefits. Additional amounts required will be provided in the year's budget in which any required payments are to be made.

Note 11: **DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

Note 12: **LEASE OBLIGATIONS**

At June 30, 2011, the Township had lease agreements in effect for the following:

Operating:
Seven (7) Copy Machines

The following is an analysis of operating leases.

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

<u>Fiscal Year</u>	<u>Amount</u>
2012	\$7,166.16
2013	6,296.06
2014	2,657.46
2015	1,431.00

Rental payments under operating leases for the fiscal year 2011 were \$7,202.14.

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

	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$15,430,626.45	\$16,116,333.82	\$11,889,810.50
Sewer Utility:			
Bonds and Notes	6,710,500.00	6,975,500.00	7,240,500.00
Total Issued	22,141,126.45	23,091,833.82	19,130,310.50
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	---	---	4,950,000.00
Sewer Utility:			
Bonds and Notes	---	---	---
Total Authorized but Not Issued	---	---	4,950,000.00
Total Issued and Authorized but Not Issued	22,141,126.45	23,091,833.82	24,080,310.50
Deductions:			
Open Space Debt	183,126.45	1,341,286.07	1,438,858.86
Self-liquidating Debt	6,636,575.80	6,975,500.00	7,240,500.00
Total Deductions	6,819,702.25	8,316,786.07	8,679,358.86
Net Debt	\$15,321,424.20	\$14,775,047.75	\$15,400,951.64

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 2.60%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$5,392,000.00	\$5,392,000.00	
Sewer Utility	6,710,500.00	6,636,575.80	\$73,924.20
General	15,430,626.45	183,126.45	15,247,500.00
	\$27,533,126.45	\$12,211,702.25	\$15,321,424.20

Net Debt \$15,321,424.20 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$590,402,682.67 equals 2.60%

Note 13: **CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A.40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$20,664,093.89
Net Debt	<u>15,321,424.20</u>
Remaining Borrowing Power	<u><u>\$5,342,669.69</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$1,049,119.66
Deductions:	
Operating and Maintenance Cost	\$472,400.00
Debt Service per Sewer Fund	<u>580,415.87</u>
Total Deductions	<u>1,052,815.87</u>
Deficit in Revenue	<u>(\$3,696.21)</u>

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

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

Fiscal Year	<u>General</u>		<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$960,000.00	\$690,970.17	\$290,000.00	\$294,287.50	\$2,235,257.67
2013	944,500.00	623,338.00	330,500.00	283,466.88	2,181,804.88
2014	955,000.00	595,941.00	325,000.00	271,483.76	2,147,424.76
2015	960,000.00	562,257.50	340,000.00	259,377.51	2,121,635.01
2016	980,000.00	526,565.00	350,000.00	246,381.88	2,102,946.88
2017-21	2,580,000.00	2,180,712.50	1,920,000.00	995,143.75	7,675,856.25
2022-26	2,400,000.00	1,696,875.00	2,395,000.00	504,905.00	6,996,780.00
2027-31	2,800,000.00	1,100,125.00	760,000.00	53,475.00	4,713,600.00
2032-36	2,668,000.00	338,600.00			3,006,600.00

Schedule of Annual Debt Service for Principal and Interest for the Green Acres Loan

Fiscal Year	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2012	\$11,942.68	\$3,603.11	\$15,545.79
2013	12,182.73	3,363.07	15,545.80
2014	12,427.61	3,118.19	15,545.80
2015	12,677.40	2,868.39	15,545.79
2016	12,932.22	2,613.58	15,545.80
2017-21	68,666.21	9,062.77	77,728.98
2022-25	52,297.60	2,112.73	54,410.33

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

Certain expenditures are required to be deferred to budgets of succeeding years. At June 30, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance June 30, 2011</u>	<u>2012 Budget Appropriation</u>
Animal Control Fund:		
Deficit in Reserve	\$1,205.20	\$1,205.20

The appropriation in the fiscal year 2012 Budget as adopted is not less than that required by the statutes.

Note 15: **JOINT INSURANCE POOL**

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

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

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

The Fund provides the Township with the following coverage:

- Property - Blanket Building and Grounds
- Boiler and Machinery
- General, Automobile & Environmental Legal Liability
- Worker's Compensation
- Public Official and Employment Liability
- Public Employee Dishonesty – Crime Policy
- Excess Liability

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

The Fund publishes its own financial report for the year ended June 30, 2011, which can be obtained from:

Camden County Municipal Joint Insurance Fund
 PERMA, Inc.
 Park 80 West
 Plaza One
 Saddle Brook, New Jersey 07663

Note 16: **CAPITAL DEBT REFUNDING**

On November 16, 2010, the Township issued \$1,955,000 in General Obligation Refunding Bonds with an interest rate varying from 2.00 - 3.00% to currently refund \$1,894,000 of outstanding 2001 Series bonds with an interest rate varying from 4.375 – 4.625%. The net proceeds of \$1,932,735 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2001 Series bonds. As a result, the 2001 Series bonds are considered to be defeased and the liability for those bonds has been removed from the general capital fund.

The Township currently refunded the 2001 Series bonds to reduce its total debt service payments over the next six years by \$57,463.62 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$54,791.28.

Note 17: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Fiscal Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$10,000.00	\$30,575.97	\$46,715.46
2010	27,000.00	2,290.87	62,476.62
2009	None	1,670.70	32,417.09

It is estimated that there are no unreimbursed payments on behalf of the Township at June 30, 2011.

Note 18: **LITIGATION**

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

Note 19: **SUBSEQUENT EVENTS**

Subsequent to June 30, the Township of Berlin authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Acquisition, Construction, Repair and Installation of Various Capital Improvements and Equipment	Dec. 12, 2011	<u>\$615,000.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Current Cash per N.J.S 40A:5-5--Chief Financial Officer
For the Fiscal Year Ended June 30, 2011

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance June 30, 2010	\$ 709,042.92	
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 99,057.57	
Reserve for Developer's Contributions	100,000.00	
Utility Operating Surplus	53,000.00	
Tax Collector	17,674,121.77	
Due from State of New Jersey	81,123.98	
Revenue Accounts Receivable	1,704,377.34	
Reserve for Premiums Received at Tax Sales	42,400.00	
Reserve for Expense of Participation in Free County Library with State Aid	396.00	
Reserve for NPP Homeowners Share	8.00	
State Training Fees--Due State of New Jersey	7,340.00	
Marriage License Fees-- Due State of New Jersey	850.00	
Due Animal Control Fund	16,800.00	
Due Trust Other Funds	39.55	
Due Municipal Open Space Trust Fund	23,333.30	
Due General Capital Fund	1,002,690.07	
Due Sewer Utility Operating Fund	334,756.11	
Petty Cash	400.00	
Due from Township of Berlin Fire District No. 1	28,379.88	
Contra	237,435.01	
Refunds	123,108.62	
Federal and State Grants Receivable		\$ 287,227.81
Due Federal and State Grant Fund	<u>8,337.34</u>	
	<u>21,537,954.54</u>	<u>\$ 287,227.81</u>
Carried Forward	22,246,997.46	287,227.81

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Current Cash per N.J.S 40A:5-5--Chief Financial Officer
For the Fiscal Year Ended June 30, 2011

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 22,246,997.46	\$ 287,227.81
Decreased by Disbursements:		
Fiscal Year 2011 Appropriations	\$ 7,247,196.40	
Reserve for Premiums Received at Tax Sales	60,100.00	
Fiscal Year 2010 Appropriation Reserves	97,995.01	
Reserve for Expense of Participation in Free County Library with State Aid	396.00	
Reserve for NPP - Homeowner Share	2,348.79	
Tax Overpayments	3,929.72	
Maintenance Liens Receivable	130.00	
State Training Fees--Due State of New Jersey	7,216.00	
Marriage License Fees--Due State of New Jersey	1,025.00	
Due County for Added and Omitted Taxes	45,829.67	
Fire District Taxes Payable	453,114.00	
County Taxes Payable	3,893,745.73	
Local District School Taxes Payable	7,844,102.00	
Municipal Open Space Taxes Payable	139,576.85	
Accounts Payable		\$ 2,100.00
Due Current Fund		8,337.34
Due Animal Control Fund -- Interfund Loans	11,500.00	
Due Municipal Open Space Trust Fund	23,333.30	
Due General Capital Fund	1,001,694.31	
Due Sewer Utility Operating Fund	333,769.26	
Petty Cash	400.00	
Due from Township of Berlin Fire District No. 1	28,379.88	
Contra	237,435.01	
Reserve for Federal and State Grant Funds--Appropriated		75,812.99
	21,433,216.93	86,250.33
Balance June 30, 2011	\$ 813,780.53	200,977.48

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Current Cash and Reconciliation per N.J.S. 40A:5-5--Collector
 For the Fiscal Year Ended June 30, 2011

Receipts:

Interest and Cost on Taxes	\$	50,238.26	
Taxes Receivable		17,400,765.33	
Tax Title Liens		688.98	
Homestead Rebates from State of New Jersey		177,189.94	
Tax Overpayments		2,732.88	
Prepaid Taxes		42,506.38	
			\$ 17,674,121.77

Decreased by:

Turnovers to Treasurer			\$ 17,674,121.77
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CURRENT FUND
 Schedule of Change Funds
 As of June 30, 2011

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 50.00
Clerk of Municipal Court	100.00
Township Clerk	50.00
Utility Collector	25.00
Library	25.00
	\$ 250.00

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Due from State of New Jersey
 Veterans' and Senior Citizens' Deductions
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 38,404.77
Increased by:		
Deductions per Tax Billings	\$ 79,750.00	
Deductions Allowed by Tax Collector	<u>2,250.00</u>	
	82,000.00	
Less: Deductions Disallowed by Tax Collector	<u>2,320.12</u>	
		<u>79,679.88</u>
		118,084.65
Decreased by:		
Receipts		<u>81,123.98</u>
Balance June 30, 2011		<u><u>\$ 36,960.67</u></u>

CURRENT FUND
 Statement of Tax Title Liens
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 4,807.95
Increased by:		
Transfers from Taxes Receivable	\$ 2,550.81	
Transfer from Sewer Liens Receivable	295.00	
2011 Tax Sale - Interest and Costs	<u>13.00</u>	
		<u>2,858.81</u>
		7,666.76
Decreased by:		
Collections		<u>688.98</u>
Balance June 30, 2011		<u><u>\$ 6,977.78</u></u>

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Fiscal Year Ended June 30, 2011

Year	Balance	Fiscal Year	Added	Collections		Due from	Homestead	Canceled	Transferred	Balance
	June 30, 2010	2011 Levy	Taxes	2010	2011	State of New Jersey	Rebate		to Tax Title Liens	June 30, 2011
2010	\$ 2,903.98				\$ 809.84					\$ 2,094.14
	2,903.98	-	-	-	809.84	-	-	-	-	2,094.14
2011		\$ 17,752,261.33		\$ 27,099.07	17,399,955.49	\$ 79,679.88	\$ 177,189.94	\$ 65,745.80	\$ 2,550.81	40.34
	\$ 2,903.98	\$ 17,752,261.33	-	\$ 27,099.07	\$ 17,400,765.33	\$ 79,679.88	177,189.94	65,745.80	2,550.81	\$ 2,134.48

Analysis of Fiscal Year 2011 Property Tax Levy

Tax Yield

General Purpose Tax	\$ 17,549,644.89
Added and Omitted Taxes	202,616.44
	<u>\$ 17,752,261.33</u>

Tax Levy

Local District School Tax	\$ 7,844,102.00
County Taxes:	
County Taxes	\$ 3,712,477.60
County Library Tax	241,416.40
County Open Space Tax	(60,148.27)
Due County for Added and Omitted Taxes	<u>45,829.67</u>
Total County Taxes	3,939,575.40
Fire District Taxes	453,114.00
Local Tax for Municipal Open Space	137,929.00
Local Tax for Municipal Open Space Added and Omitted Taxes	1,647.85
Local Tax for Municipal Purposes	5,154,572.78
Add: Additional Tax Billed	<u>221,320.30</u>
Local Tax for Municipal Purposes Levied	<u>5,375,893.08</u>
	<u>\$ 17,752,261.33</u>

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Accrued</u> <u>in 2010/2011</u>	<u>Collections</u>	<u>Interfunds</u> <u>Receivable</u>	<u>Balance</u> <u>June 30, 2011</u>
Clerk:					
Licenses:					
Alcoholic Beverages		\$ 4,446.00	\$ 4,446.00		
Other:					
Mercantile Licenses		44,510.00	44,510.00		
Peddler Licenses		50.00	50.00		
Other		1,060.00	1,060.00		
Fees and Permits:					
Improvement Searches		30.00	30.00		
Street Excavation Permits		5,400.00	5,400.00		
Animal Control Permits		80.00	80.00		
Miscellaneous:					
Cell Tower Inspection Fees		9,000.00	9,000.00		
Sale of Maps and Copies		370.00	370.00		
Registrar of Vital Statistics:					
Marriage Licenses		102.00	102.00		
Burial Permits		2,415.00	2,415.00		
Police:					
Gun Permits/Accident Reports		66.00	66.00		
Construction Code Official:					
Fees and Permits		116,790.00	116,790.00		
Continued Certificate of Occupancy		4,700.00	4,700.00		
Planning Board:					
Subdivision Fees		150.00	150.00		
Site Plan Fees		2,625.00	2,625.00		
Zoning Board:					
Variance Fees		1,400.00	1,400.00		
Tree Ordinance Fees		125.00	125.00		
Permits		5,750.00	5,750.00		
Municipal Court:					
Fines and Costs	\$ 15,044.12	153,512.91	156,881.12		\$ 11,675.91
Tax Search Fees		710.00	710.00		
Franchise Fee--Cable Television		57,650.33	57,650.33		
Energy Receipts Tax		1,287,847.00	1,287,847.00		
Supplemental Energy Receipts Tax					
Interest on Investments		2,267.09	2,219.89	\$ 47.20	
	<u>\$ 15,044.12</u>	<u>\$ 1,701,056.33</u>	<u>\$ 1,704,377.34</u>	<u>\$ 47.20</u>	<u>\$ 11,675.91</u>
Due Trust Other Funds				\$ 19.40	
Due General Capital Fund				27.80	
				<u>\$ 47.20</u>	

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Reserve for Premiums Received at Tax Sales
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 75,200.00
Increased by:		
Premiums Received at Tax Sale of June 21, 2011		<u>42,400.00</u>
		117,600.00
Decreased by:		
Refunds Upon Redemption	\$ 60,100.00	
Due from Trust Other - Reserve for Tax Sale Premiums	<u>57,500.00</u>	
		<u><u>\$ 117,600.00</u></u>

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Fiscal Year 2010 Appropriation Reserves
For the Fiscal Year Ended June 30, 2011

	Balance		Balance After	Disbursed	Balance
	<u>Encumbered</u>	<u>June 30, 2010</u> <u>Reserves</u>			
<u>Operations Within CAPs</u>					
<u>General Government</u>					
Mayor and Council					
Salaries and Wages		\$ 0.32	\$ 0.32		\$ 0.32
Other Expenses	\$ 1,538.09	2,631.19	4,169.28	\$ 2,687.73	1,481.55
Financial Administration					
Salaries and Wages		81.74	81.74		81.74
Other Expenses	1,028.40	822.26	1,850.66	1,028.40	822.26
Tax Assessment Administration					
Salaries and Wages		63.62	63.62		63.62
Other Expenses		1,291.77	1,291.77		1,291.77
Revenue Administration					
Salaries and Wages		40.72	40.72		40.72
Other Expenses		2,241.17	2,241.17	1,377.01	864.16
Township Clerk					
Salaries and Wages		33.42	33.42		33.42
Other Expenses		808.67	808.67	792.54	16.13
Legal Services and Costs					
Other Expenses	1,069.00	10,122.56	11,191.56	4,994.00	6,197.56
Municipal Prosecutor					
Salaries and Wages		90.08	90.08		90.08
Other Expenses		500.00	500.00		500.00
Engineering Services and Costs					
Other Expenses		5,878.75	5,878.75		5,878.75
Public Buildings and Grounds					
Salaries and Wages		2,440.07	2,440.07		2,440.07
Other Expenses	1,175.41	2,475.68	3,651.09	250.28	3,400.81
Audit Services					
Other Expenses		695.05	695.05		695.05
Municipal Land Use Law (N.J.S.40:55D-1)					
Planning Board					
Other Expenses		1,494.30	1,494.30	1,083.34	410.96
Insurance					
Liability Insurance		17,900.23	17,900.23		17,900.23
Workers Compensation Insurance		781.37	781.37		781.37
Group Insurance		10,456.21	10,456.21		10,456.21
Unemployment Compensation Insurance		576.49	576.49		576.49
Municipal Court					
Salaries and Wages		281.94	281.94		281.94
Other Expenses		155.22	155.22	134.63	20.59
Public Defender					
Other Expenses		500.00	500.00		500.00
<u>Public Safety</u>					
Police					
Salaries and Wages		7,092.77	7,092.77		7,092.77
Other Expenses	31,941.91	2,844.03	34,785.94	31,200.20	3,585.74
Office of Emergency Management					
Salaries and Wages		99.04	99.04		99.04
Other Expenses		725.00	725.00		725.00
Ambulance Association					
Other Expenses		105.14	105.14		105.14
<u>Streets and Roads</u>					
Road Repairs and Maintenance					
Salaries and Wages		500.09	500.09		500.09
Other Expenses	2,323.88	1,101.55	3,425.43	1,618.88	1,806.55

(Continued)

TOWNSHIP OF BERLIN
CURRENT FUND
Statement of Fiscal Year 2010 Appropriation Reserves
For the Fiscal Year Ended June 30, 2011

	Balance		Balance After	Disbursed	Balance
	<u>Encumbered</u>	<u>June 30, 2010</u> <u>Reserves</u>			
<u>Streets and Roads (Cont'd)</u>					
Solid Waste Collection					
Salaries and Wages		\$ 1,015.54	\$ 1,015.54		\$ 1,015.54
Other Expenses	\$ 200.00	4,541.84	4,741.84		4,741.84
Vehicle Maintenance					
Salaries and Wages		933.60	933.60		933.60
Other Expenses	4,652.42	3,857.75	8,510.17	\$ 3,799.50	4,710.67
Landfill/Solid Waste Disposal Costs	22,200.00	3,067.33	25,267.33	17,817.15	7,450.18
<u>Health and Welfare</u>					
Board of Health					
Salaries and Wages		82.30	82.30		82.30
Other Expenses		500.00	500.00		500.00
<u>Recreation and Education</u>					
Maintenance of Parks					
Salaries and Wages		36.32	36.32		36.32
Other Expenses	338.00	2,842.96	3,180.96	467.00	2,713.96
Recreation Service and Programs					
Other Expenses		2,924.51	2,924.51		2,924.51
Expense of Participation in Free County Library					
Salaries and Wages		286.35	286.35		286.35
Other Expenses	63.79	1,667.11	1,730.90	63.79	1,667.11
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	37.44	3,014.09	3,051.53	37.44	3,014.09
Uniform Construction Code - Apporpriation Offset by					
Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Construction Office					
Salaries and Wages		185.80	185.80		185.80
Other Expenses	833.91	1,490.35	2,324.26	1,533.91	790.35
Code Enforcement					
Salaries and Wages		175.89	175.89		175.89
Other Expenses		543.36	543.36		543.36
<u>Unclassified</u>					
Utilities:					
Telephone	100.00	5,577.66	5,677.66	3,700.52	1,977.14
Street Lighting	8,811.97	816.11	9,628.08	8,811.97	816.11
Electricity and Natural Gas	8,271.27	4,323.49	12,594.76	8,271.27	4,323.49
Water		1,378.40	1,378.40		1,378.40
Petroleum Products	8,500.00	4,478.03	12,978.03	6,128.80	6,849.23
Sewerage		603.75	603.75		603.75
Accumulated Sickleave Compensation		1,000.00	1,000.00		1,000.00
<u>Deferred Charges and Satutory Expenditures</u>					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System		1,519.14	1,519.14		1,519.14
Social Security System (O.A.S.I.)		7,117.41	7,117.41		7,117.41
<u>Operations Excluded From CAPs</u>					
Storm Water Management					
Salaries and Wages		943.55	943.55		943.55
Other Expenses		3,121.67	3,121.67		3,121.67
	<u>\$ 93,085.49</u>	<u>\$ 132,874.76</u>	<u>\$ 225,960.25</u>	<u>\$ 95,798.36</u>	<u>\$ 130,161.89</u>
Disbursements				\$ 97,995.01	
Refunds				(2,196.65)	
				<u>\$ 95,798.36</u>	

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Prepaid Taxes
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010 (Fiscal Year 2011 Taxes)	\$ 27,099.07
Increased by:	
Collections	<u>42,506.38</u>
	69,605.45
Decreased by:	
Application to Fiscal Year 2011 Taxes Receivable	<u>27,099.07</u>
Balance June 30, 2011 (Fiscal Year 2012 Taxes)	<u><u>\$ 42,506.38</u></u>

CURRENT FUND
 Statement of Reserve for NPP - Homeowner Share
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 2,340.79
Increased by:	
Receipts	<u>8.00</u>
	2,348.79
Decreased by:	
Disbursements	<u><u>\$ 2,348.79</u></u>

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Reserve for Expense of Participation in Free County Library With State Aid
 For the Fiscal Year Ended June 30, 2011

Increased by:		
Receipts	\$	396.00
Decreased by:		
Payments	\$	<u>396.00</u>

CURRENT FUND
 Statement of Due to State of New Jersey--State Training Fees
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$	908.00
Increased by:		
Collections		<u>7,340.00</u>
		8,248.00
Decreased by:		
Payments		<u>7,216.00</u>
Balance June 30, 2011	\$	<u><u>1,032.00</u></u>

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Due to State of New Jersey--DYFS Marriage License Fees
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 250.00
Increased by:		
Collections		850.00
		1,100.00
Decreased by:		
Payments		1,025.00
		\$ 75.00
Balance June 30, 2011		\$ 75.00

CURRENT FUND
 Statement of Due County for Added and Omitted Taxes
 For the Fiscal Year Ended June 30, 2011

County Share of 2010 Levy		
Added Taxes		\$ 44,976.42
Omitted Taxes		853.25
		\$ 45,829.67
Decreased by:		
Payments		\$ 45,829.67
		\$ 45,829.67

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Fire District Taxes Payable
 For the Fiscal Year Ended June 30, 2011

Levy--Fiscal Year 2011		\$ 453,114.00
Decreased by:		
Payments		<u>\$ 453,114.00</u>

CURRENT FUND
 Statement of County Taxes Payable
 For the Fiscal Year Ended June 30, 2011

Levy--Fiscal Year 2011		
County Tax	\$ 3,712,477.60	
County Library Tax	241,416.40	
County Open Space Tax	<u>(60,148.27)</u>	
		\$3,893,745.73
Decreased by:		
Payments		<u>\$3,893,745.73</u>

TOWNSHIP OF BERLIN
CURRENT FUND
 Statement of Local District School Taxes
 For the Fiscal Year Ended June 30, 2011

Levy--Fiscal Year 2011	\$7,844,102.00
Decreased by:	
Payments	<u>\$7,844,102.00</u>

CURRENT FUND
 Statement of Municipal Open Space Taxes Payable
 For the Fiscal Year Ended June 30, 2011

Levy--Fiscal Year 2011	\$ 137,929.00
Increased by:	
Added Taxes	\$ 1,616.51
Omitted Taxes	<u>31.34</u>
	<u>1,647.85</u>
	139,576.85
Decreased by:	
Payments	<u>\$ 139,576.85</u>

TOWNSHIP OF BERLIN
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Fiscal Year Ended June 30, 2011

<u>Program</u>	<u>Balance June 30, 2010</u>	<u>Accrued</u>	<u>Decreased</u>	<u>Balance June 30, 2011</u>
State:				
Clean Communities Grant		\$ 10,127.88	\$ 10,127.88	
Drunk Driving Enforcement Grant		2,659.99	2,659.99	
Body Armor Replacement Grant		2,076.94	2,076.94	
Click It or Ticket Grant	\$ 4,000.00	4,000.00	4,000.00	\$ 4,000.00
Total State	<u>4,000.00</u>	<u>18,864.81</u>	<u>18,864.81</u>	<u>4,000.00</u>
County:				
C.C. Recreation Enhancement Grant - Luke Avenue	25,000.00			25,000.00
C.C. Recreation Enhancement Grant - RTC Park	<u>25,000.00</u>		<u>25,000.00</u>	
Total County	<u>50,000.00</u>		<u>25,000.00</u>	<u>25,000.00</u>
Federal:				
Transportation Enhancement Grant TEA-21 Haddon Avenue	400,000.00			400,000.00
NJDOT - Mount Vernon Avenue	180,000.00			180,000.00
NJDOT - Sidewalks Along Route 73	320,000.00		191,224.50	128,775.50
NJDOT - Edgewood Avenue		200,000.00		200,000.00
Over the Limit Under Arrest Grant		3,962.02	3,962.02	
Home Investment Partnership Program - 2010	59,364.00		59,364.00	
Community Development Block Grant - Year 32	30,257.00			30,257.00
Community Development Block Grant - Year 33		<u>33,255.00</u>		<u>33,255.00</u>
Total Federal	<u>989,621.00</u>	<u>237,217.02</u>	<u>254,550.52</u>	<u>972,287.50</u>
Total Grants	<u>\$ 1,043,621.00</u>	<u>\$ 256,081.83</u>	<u>\$ 298,415.33</u>	<u>\$ 1,001,287.50</u>
Recap:				
Collected			\$ 287,227.81	
Cancelled			<u>11,187.52</u>	
			<u>\$ 298,415.33</u>	

TOWNSHIP OF BERLIN
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Unappropriated
For the Fiscal Year Ended June 30, 2011

<u>Program</u>	<u>Balance June 30, 2010</u>	<u>Grants Receivable</u>	<u>Anticipated as Budgeted Revenue</u>	<u>Balance June 30, 2011</u>
State:				
Clean Communities Grant		\$ 10,127.88	\$ 10,127.88	
Drunk Driving Enforcement Grant		2,659.99	2,659.99	
Body Armor Replacement Grant		2,076.94	2,076.94	
Click It or Ticket Grant		4,000.00	4,000.00	
Total State	-	18,864.81	18,864.81	-
Federal:				
NJDOT - Edgewood Avenue		200,000.00	200,000.00	
Over the Limit Under Arrest		3,962.02	3,962.02	
Community Development Block Grant - Year 33		33,255.00	33,255.00	
Total Federal	-	237,217.02	237,217.02	-
Total Grants	-	\$ 256,081.83	\$ 256,081.83	-

TOWNSHIP OF BERLIN
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants--Appropriated
 For the Fiscal Year Ended June 30, 2011

<u>Program</u>	<u>Balance June 30, 2010</u>	<u>Transferred from 2011 Budget Appropriations</u>	<u>Decreased</u>	<u>Balance June 30, 2011</u>
State:				
Clean Communities Grant	\$ 10,518.58	\$ 10,127.88	\$ 10,518.58	\$ 10,127.88
Drunk Driving Enforcement Grant	6,415.79	2,659.99	6,000.50	3,075.28
Body Armor Replacement Grant	806.17	2,076.94	2,795.17	87.94
Click It or Ticket Grant	321.00	4,000.00	4,164.32	156.68
Total State	<u>18,061.54</u>	<u>18,864.81</u>	<u>23,478.57</u>	<u>13,447.78</u>
Federal:				
Haddon Ave. TEA-21	400,000.00			400,000.00
NJDOT - Sidewalks Along Route 73 North	320,000.00		254,966.00	65,034.00
NJDOT - Mt. Vernon Avenue	180,000.00			180,000.00
NJDOT - Edgewood Avenue		200,000.00		200,000.00
Home Investment Partnership Program - 2008	1,049.12		1,049.12	
Home Investment Partnership Program - 2010	54,616.00		54,616.00	
Over the Limit Under Arrest		3,962.02	3,962.02	
Community Development Block Grant - Year 32	30,257.00			30,257.00
Community Development Block Grant - Year 33		33,255.00		33,255.00
Total Federal	<u>985,922.12</u>	<u>237,217.02</u>	<u>314,593.14</u>	<u>908,546.00</u>
County:				
Recreation Enhancement Grant Round 10 - Luke Avenue Park	25,000.00			25,000.00
Recreation Enhancement Grant Round 10 - RTC Park	4,200.00		3,894.80	305.20
Total County	<u>29,200.00</u>		<u>3,894.80</u>	<u>25,305.20</u>
Total Grants	<u>\$ 1,033,183.66</u>	<u>\$ 256,081.83</u>	<u>\$ 341,966.51</u>	<u>\$ 947,298.98</u>
Recap:				
Disbursed			\$ 75,812.99	
Accounts Payable			254,966.00	
Cancelled			11,187.52	
			<u>\$ 341,966.51</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF BERLIN
TRUST FUND
Statement of Trust Cash Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended June 30, 2011

	<u>Animal Control</u>		<u>Other</u>		<u>Municipal Open Space</u>
Balance (Overdraft) June 30, 2010	\$	(1,122.38)	\$	476,184.35	\$ 6,612.76
Increased by Receipts:					
Reserve for Dog Fund Expenditures	\$	23,645.18			
Due to State Department of Health		1,129.20			
Due Open Space Capital Fund					\$ 3.58
Due Current Fund	11,500.00		\$ 228.69		23,333.30
Due Bank			818.67		
Reserve for:					
Reserve for Escrow Deposits			51,381.95		
Reserve for New Jersey Unemployment Compensation Insurance			14,814.81		
Reserve for Recycling Program			23,148.15		
Reserve for Accumulated Sick Leave			66.71		
Reserve for Redemption of Tax Sale Certificates			372,127.80		
Reserve for Parking Offenses Adjudication Act			44.00		
Reserve for Municipal Law Enforcement Grant Program Expenditures			2,705.02		
Reserve for Township Rehabilitation			9,665.33		
Reserve for Municipal Public Defender Fees			5,013.00		
Reserve for Snow Removal			8,000.00		
Reserve for NPP - Bench Program & Old West Berlin Association			0.36		
Reserve for John J. McPeak Library			3.17		
Reserve for Berlin Township Police Department			1,010.00		
Reserve for Tax Collector Utility			66,284.51		
Net Payroll			2,007,122.91		
Payroll Deductions			2,141,272.66		
Municipal Open Space					139,576.85
		<u>36,274.38</u>		<u>4,703,707.74</u>	<u>162,913.73</u>
Decreased by Disbursements:		35,152.00		5,179,892.09	169,526.49
Due State Department of Health	1,156.80				
Expenditures Under R.S. 4:19-15.11	13,296.50				
Accounts Payable			1,765.10		
Due Current Fund	16,800.00		248.84		23,333.30
Reserve for:					
Reserve for Escrow Deposits			39,136.84		
Reserve for New Jersey Unemployment Compensation Insurance			30,575.97		
Reserve for Recycling Program			12,801.10		
Reserve for Accumulated Sick Leave			10,000.00		
Reserve for Redemption of Tax Sale Certificates			356,734.31		
Reserve for Township Rehabilitation			1,652.39		
Reserve for Municipal Public Defender Fees			2,625.00		
Reserve for Snow Removal			20,915.51		
Reserve for Berlin Township Police Department			3,142.82		
Reserve for Tax Collector Utility			66,284.51		
Net Payroll			2,007,122.91		
Payroll Deductions			2,138,140.08		
Budget Appropriations					139,546.17
		<u>31,253.30</u>		<u>4,691,145.38</u>	<u>162,879.47</u>
Balance June 30, 2011	\$	<u>3,898.70</u>	\$	<u>488,746.71</u>	\$ <u>6,647.02</u>

TOWNSHIP OF BERLIN
TRUST--OTHER FUNDS
 Statement of Due Current Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Total</u>	<u>Recycling Program</u>	<u>Contractors Escrow</u>	<u>Tax Title Lien Redemption</u>	<u>Planning Board Escrow</u>
Balance June 30, 2010 (Due To)	\$ 39.55	\$ 12.53	\$ 0.45		\$ 26.57
Increased by:					
Interest Earned on Deposits	228.69	54.54	2.43		171.72
Interfund Loans	-				
	<u>228.69</u>	<u>54.54</u>	<u>2.43</u>	<u>-</u>	<u>171.72</u>
	268.24	67.07	2.88	-	198.29
Decreased by:					
Disbursements:					
Interfund Loans Returned	39.55	12.53	0.45		26.57
Revenue Accounts Receivable - Interest	209.29	48.57	2.22		158.50
Reserve for Tax Sale Premiums	<u>57,500.00</u>			<u>\$ 57,500.00</u>	
	<u>57,748.84</u>	<u>61.10</u>	<u>2.67</u>	<u>57,500.00</u>	<u>185.07</u>
Balance June 30, 2011 (Due From)	<u>\$ (57,480.60)</u>	<u>\$ 5.97</u>	<u>\$ 0.21</u>	<u>\$ (57,500.00)</u>	<u>\$ 13.22</u>

TRUST--ANIMAL CONTROL FUND
 Statement of Due to Current Fund
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 5,300.00
Increased by:	
Receipts	<u>11,500.00</u>
	16,800.00
Decreased by:	
Disbursements	<u>\$ 16,800.00</u>

TOWNSHIP OF BERLIN
TRUST--ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Fund Expenditures
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010 (Deficit)		\$ (6,461.38)
Increased by:		
Collections:		
Dog License Fees	\$ 14,145.80	
Cat License Fees	3,038.00	
Deferred Charged Raised in the Current Fund	<u>6,461.38</u>	
		<u>23,645.18</u>
		17,183.80
Decreased by:		
Expenditures Under R.S.4:19-15.11--Cash	13,296.50	
Accounts Payable	<u>5,092.50</u>	
		<u>18,389.00</u>
Balance June 30, 2011 (Deficit)		<u><u>\$ (1,205.20)</u></u>

Dog License Fees Collected

<u>Year</u>	<u>Amount</u>
FY2010	\$ 10,590.00
FY2009	<u>11,404.80</u>
	<u><u>\$ 21,994.80</u></u>

TRUST--ANIMAL CONTROL FUND
 Statement of Due to State Department of Health
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 39.00
Increased by:		
Dog Registration Fees Collected		<u>1,129.20</u>
		1,168.20
Decreased by:		
Payments		<u>1,156.80</u>
Balance June 30, 2011		<u><u>\$ 11.40</u></u>

TOWNSHIP OF BERLIN
TRUST--OTHER FUNDS
Statement of Trust Other Reserves
For the Year Ended June 30, 2011

Reserve	Balance June 30, 2010	Increased by Receipts						Decreased		Balance June 30, 2011
		Miscellaneous	Interest	Due Current Fund	Current Fund Budget	Employee Withholdings	Due From Developers	Disbursements	Accounts Payable	
Reserve for Escrow Deposits	\$ 238,064.58		\$ 120.62				\$ 51,261.33	\$ 39,136.84	\$ 1,418.00	\$ 248,891.69
Reserve for New Jersey Unemployment Compensation Insurance	62,476.62		156.88		\$ 10,000.00	\$ 4,657.93		30,575.97		46,715.46
Reserve for Recycling Program	12,593.05	\$ 23,148.15						12,801.10	920.65	22,019.45
Reserve for Accumulated Sick Leave	66,963.99		66.71					10,000.00		57,030.70
Reserve for Redemption of Tax Sale Certificates	2,027.92	372,127.80						356,734.31		17,421.41
Reserve for Parking Offenses Adjudication Act	974.00	44.00								1,018.00
Reserve for Municipal Law Enforcement Grant Program Expenditures	25,783.06	2,676.90	28.12							28,488.08
Reserve for Township Rehabilitation	1.74	9,663.00	2.33					1,652.39		8,014.68
Reserve for Municipal Public Defender Fees	2,081.18	5,013.00						2,625.00	1,500.00	2,969.18
Reserve for Municipal Alcohol and Drug Alliance Program	0.37									0.37
Reserve for Snow Removal	30,000.00	8,000.00						20,915.51		17,084.49
Reserve for NPP - Bench Program & Old West Berlin Association	657.64		0.36							658.00
Reserve for John J. McPeak Library	3,155.44		3.17							3,158.61
Reserve for Berlin Township Police Department	4,644.25	1,010.00						3,142.82		2,511.43
Reserve for Premium on Tax Sale	-			\$ 57,500.00						57,500.00
Reserve for Tax Collector Utility	-	66,284.51						66,284.51		-
	<u>\$ 449,423.84</u>	<u>\$ 487,967.36</u>	<u>\$ 378.19</u>	<u>\$ 57,500.00</u>	<u>\$ 10,000.00</u>	<u>\$ 4,657.93</u>	<u>\$ 51,261.33</u>	<u>\$ 543,868.45</u>	<u>\$ 3,838.65</u>	<u>\$ 513,481.55</u>

TOWNSHIP OF BERLIN
TRUST--MUNICIPAL OPEN SPACE FUND
 Statement of Reserve for Future Use
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 9,264.13
Increase by:		
Receipts:		
Current Year Tax Levy	\$ 139,576.85	
Interest Earned on Deposits--Due from General Capital	3.85	
		139,580.70
		148,844.83
Decreased by:		
Disbursed		
Operations	124,000.37	
Payments on Bonds	11,707.37	
Interest on Bonds	3,838.43	
		139,546.17
Balance June 30, 2011		\$ 9,298.66

Exhibit SB-8

TRUST--OTHER FUND
 Statement of Payroll Deductions Payable
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 25,770.33
Increased by:		
Payroll Deductions		2,141,272.66
		2,167,042.99
Decreased by:		
Payments		2,138,140.08
Balance June 30, 2011		\$ 28,902.91

Analysis of Balance June 30, 2011

Workforce Development/Health Care Subsidy		\$ 3,389.93
Federal/FICA/Medicare		(3.51)
Public Employees' Retirement System		9,445.76
Police and Firemen's Retirement System		13,636.21
Public Employees' Retirement System--Contributory Insurance		746.18
Family Leave Insurance		274.29
AFLAC		472.90
DCRP		29.72
Other		911.43
		\$ 28,902.91

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of General Capital Cash per N.J.S. 40A:5-5--Chief Financial Officer
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 1,942,971.58
Increased by Receipts:		
Due Current Fund	\$1,002,190.30	
Due Open Space Trust Fund	3.85	
General Obligation Bonds	10,318,000.00	
Contra	<u>738,180.00</u>	
		<u>12,058,374.15</u>
		14,001,345.73
Decreased by Disbursements:		
Due Current Fund	1,002,255.13	
Due Open Space Trust Fund	3.58	
Improvement Authorizations	88,873.32	
Bond Anticipation Notes Renewal	10,318,000.00	
Reserve for Developer's Contribution	100,000.00	
Contracts Payable	169,085.05	
Contra	<u>738,180.00</u>	
		<u>12,416,397.08</u>
Balance June 30, 2011		<u><u>\$ 1,584,948.65</u></u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Fiscal Year Ended June 30, 2011

	Ordinance Number	Balance (Overdraft) June 30, 2010	Receipts		Disbursements			Transfers		Balance (Overdraft) June 30, 2011
			Serial Bonds	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Fund Balance		\$ 40.00								\$ 40.00
Capital Improvement Fund		50,000.00								50,000.00
Improvement Authorizations:										
	Date of Ordinance									
	Acquisition, Construction, Repair and Installation of Various Capital Improvements	03-22)	1,631.02		\$ 1,631.02					
	Acquisition, Construction, Repair and Installation of Various Capital	11-22-04)	74,559.31		1,811.87					72,747.44
	Acquisition, Construction and Renovation of an Addition to the Township Municipal Building including Acquisition of Real Property and Site Improvements and Related Work	2-28-05)	5,949.04	\$ 159,000.00	1,073.00	\$ 159,000.00				4,876.04
	Various Capital Improvements and the Acquisition of Various Pieces of Capital Equipment	2-13-06)	70,369.75	565,000.00	7,368.81	565,000.00	\$ 1,404.05			61,596.89
	Various Road and Streetscape Improvements	5-22-06)	257,582.47	264,000.00		264,000.00				257,582.47
	Various Capital Improvements and the Acquisition of Various Pieces of Equipment	4-23-07)	222,233.36	590,000.00	34,376.33	590,000.00		\$ 652.00		188,509.03
	Various Capital Improvements and the Acquisition of Various Pieces of Equipment	4-23-07)	4,121.48							4,121.48
	Demolition of the Existing Township Municipal Building	6-18-07)		200,000.00		200,000.00				
	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	4-28-08)	271,385.26	590,000.00	2,686.23	590,000.00	410.00			268,289.03
	Acquisition of Certain Real Property and Existing Facilities Together with the Completion of Various Renovations and Improvements	03-29-09)	496,406.71	7,950,000.00	39,926.06	7,950,000.00		28,713.84		485,194.49
Due Current Fund		92.63		\$ 1,002,190.30		\$ 1,002,255.13	903.13			(875.33)
Contracts Payable		275,682.51				169,085.05	28,462.71			78,134.75
Accounts Payable								1,814.05		1,814.05
Reserve for Developers Contribution		210,266.67				100,000.00				110,266.67
Due Open Space Trust Fund		2,651.37		3.85		3.58				2,651.64
Contra				738,180.00		738,180.00				
		<u>\$ 1,942,971.58</u>	<u>\$ 10,318,000.00</u>	<u>\$ 1,740,374.15</u>	<u>\$ 88,873.32</u>	<u>\$ 10,318,000.00</u>	<u>\$ 2,009,523.76</u>	<u>\$ 31,179.89</u>	<u>\$ 31,179.89</u>	<u>\$ 1,584,948.65</u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010 (Due To)		\$ 92.63
Increased by:		
Receipts:		
Interest Earned on Deposits	\$ 495.99	
Interfund Loans	<u>1,001,694.31</u>	
		<u>1,002,190.30</u>
		1,002,282.93
Decreased by:		
Disbursements:		
Revenue Accounts Receivable -- Interest	\$ 468.19	
Interfund Loans Returned	<u>1,001,786.94</u>	
		1,002,255.13
Received by Current Fund on Behalf of General Capital	<u>903.13</u>	
		<u>1,003,158.26</u>
Balance June 30, 2011 (Due From)		<u><u>\$ 875.33</u></u>

Exhibit SC-4

GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 5,798,333.82
Increased by:		
Bonds Issued	\$ 10,318,000.00	
Refunding Bonds Issued	<u>1,955,000.00</u>	
		<u>12,273,000.00</u>
		18,071,333.82
Decreased by:		
Budget Appropriation:		
Bonds Refunded	1,894,000.00	
Payment of Bond Principal	735,000.00	
Payment of Loan Principal	<u>11,707.37</u>	
		<u>2,640,707.37</u>
Balance June 30, 2011		<u><u>\$ 15,430,626.45</u></u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation--Unfunded
 For the Fiscal Year Ended June 30, 2011

<u>Improvement Description</u>	<u>Ordinance Number</u>		<u>Balance June 30, 2010</u>	<u>2010/2011 Authorizations</u>	<u>Bonds Issued</u>	<u>Balance June 30, 2011</u>	<u>Analysis of Balance June 30, 2011</u>		<u>Unexpended Improvement Authorizations</u>
							<u>Bond Anticipation Notes</u>	<u>Expenditures</u>	
General Improvements:									
Acquisition, Construction and Renovation of an Addition to the Township Municipal Building including Acquisition of Real Property and Site Improvements and Related Work	05-01)	2-28-05)	\$ 159,000.00		\$ 159,000.00				
Various Capital Improvements and the Acquisition of Various Pieces of Captial Equipment	06-01)	2-13-06)	565,000.00		565,000.00				
Various Road and Streetscape Improvements	06-09)	5-22-06)	264,000.00		264,000.00				
Various Capital Improvements and the Acquisition of Various Pieces of Equipment	07-08)	4-23-07)	590,000.00		590,000.00				
Acquisition of Real Property and a Building to be used as a Municipal Building	08-04)	2-25-08)	200,000.00		200,000.00				
Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	08-07)	4-28-08)	590,000.00		590,000.00				
New Municipal Building	09-02)	3-23-09)	<u>7,950,000.00</u>		<u>7,950,000.00</u>				
			<u>\$ 10,318,000.00</u>	<u>-</u>	<u>\$ 10,318,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of Due to Open Space Trust Fund
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$	2,651.37
Increased by:		
Interest Earned on Deposits		3.85
		2,655.22
Decreased by:		
Interfund Loans Returned		3.58
Balance June 30, 2011	\$	2,651.64

Exhibit SC-7

GENERAL CAPITAL FUND
Statement of Reserve for Developer's Escrow
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$	210,266.67
Decreased by:		
Disbursements to Current Fund as Current Year Revenue		100,000.00
Balance June 30, 2011	\$	110,266.67

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Fiscal Year Ended June 30, 2011

Improvement Description	Ordinance Number	Date	Amount	Balance June 30, 2010		2010/2011 Authorizations		Paid or Charged	Balance June 30, 2011	
				Funded	Unfunded	Down Payment	Deferred Charges to Future Taxation--Unfunded		Funded	Unfunded
General Improvements:										
Acquisition, Construction, Repair and Installation of Various Capital Improvements	03-22)	12-22-03)	525,000.00	\$ 1,631.02				\$ 1,631.02		
Acquisition, Construction, Repair and Installation of Various Capital Improvements	04-10)	11-22-04)	610,000.00	74,559.31				1,811.87	\$ 72,747.44	
Acquisition, Construction and Renovation of an Addition to the Township Municipal Building including Acquisition of Real Property and Site Improvements and Related Work	05-01)	2-28-05)	250,000.00		\$ 5,949.04			1,073.00	4,876.04	
Various Capital Improvements and the Acquisition of Various Pieces of Capital Equipment	06-01)	2-13-06)	595,000.00		70,369.75			8,772.86	61,596.89	
Various Road and Streetscape Improvements	06-09)	5-22-06)	278,000.00		257,582.47				257,582.47	
Various Capital Improvements and the Acquisition of Various Pieces of Equipment	07-08) 09-10)	4-23-07)	704,000.00		222,233.36			33,724.33	188,509.03	
Acquisition and Installation of Various Pieces of Movie Equipment in the Township Park	07-09c)	4-23-07)	72,510.88	4,121.48					4,121.48	
Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	08-07)	4-28-08)	620,000.00		271,385.26			3,096.23	268,289.03	
Acquisition of Certain Real Property and Existing Facilities Together with the Completion of Various Renovations and Improvements	09-02)	3-23-09)	7,950,000.00		496,406.71			11,212.22	485,194.49	
				<u>\$ 80,311.81</u>	<u>\$ 1,323,926.59</u>	<u>-</u>	<u>-</u>	<u>\$ 61,321.53</u>	<u>\$ 1,342,916.87</u>	<u>-</u>
Disbursed								\$ 88,873.32		
Refunds - Due Current Fund								(903.13)		
Accounts Payable								1,814.05		
Contracts Payable Canceled								(28,462.71)		
								<u>\$ 61,321.53</u>		

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
 Statement of Contracts Payable
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010		\$ 275,682.51
Decreased by:		
Disbursed	\$ 169,085.05	
Canceled	<u>28,462.71</u>	
		<u>197,547.76</u>
Balance June 30, 2011		<u><u>\$ 78,134.75</u></u>

Analysis of Balance June 30, 2011

<u>Name</u>	<u>Date</u>	<u>Ordinance Number</u>	<u>Amount</u>
Kei Associates	11/08/04	2004-10	\$ 36,147.25
Kei Associates	01/04/10	2007-08	<u>41,987.50</u>
			<u><u>\$ 78,134.75</u></u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Fiscal Year Ended June 30, 2011

Ordinance Number	Improvement Description	Original Date	Date of Issue	Due Date	Interest Rate	Balance June 30, 2010	Increased	Paid by Bond Funds	Balance June 30, 2011
General Improvements:									
05-01)	Acquisition, Construction and Renovation of an addition to the Township Municipal Building including Acquisition of Real Property and Site Improvements and Related Work	03/27/06	03/16/10	12/08/10	1.04%	\$ 159,000.00		\$ 159,000.00	
06-01)	Various Capital Improvements and the Acquisition of Various Pieces of Capital Equipment	03/27/06	03/16/10	12/08/10	1.04%	565,000.00		565,000.00	
06-09)	Completion of Various Road and Streetscape Improvements	03/20/08	03/16/10	12/08/10	1.04%	264,000.00		264,000.00	
07-08)	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	03/20/08	03/16/10	12/08/10	1.04%	590,000.00		590,000.00	
07-10)	Demolition of the Existing Township Municipal Building	03/20/08	03/16/10	12/08/10	1.04%	200,000.00		200,000.00	
08-07)	Completion of Various Capital Improvements and the Acquisition of Various Pieces of Equipment	03/20/08	03/16/10	12/08/10	1.04%	590,000.00		590,000.00	
09-02)	Acquisition of Certain Real Property and Existing Facilities Together with the Completion of Various Renovations and Improvements	05/19/09	03/16/10	12/08/10	1.04%	3,000,000.00		3,000,000.00	
09-02)	Acquisition of Certain Real Property and Existing Facilities Together with the Completion of Various Renovations and Improvements	12/09/09	12/09/09	12/08/10	1.17%	4,950,000.00		4,950,000.00	
						<u>\$ 10,318,000.00</u>	<u>-</u>	<u>\$ 10,318,000.00</u>	<u>-</u>

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Fiscal Year Ended June 30, 2011

<u>Purpose</u>		<u>Original Issue</u>	<u>Maturities of Bonds Outstanding June 30, 2011</u>		<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2011</u>
			<u>Date</u>	<u>Amount</u>					
General Bonds--Series 2001	3-1-01	\$ 3,354,000.00	3-1-12	\$ 253,515.00	4.375%				
			3-1-13	253,515.00	4.500%				
			3-1-14	270,416.00	4.500%				
			3-1-15	274,641.00	4.625%				
			3-1-16	294,923.00	4.625%	\$ 1,600,525.00		\$ 1,600,525.00	
General Bonds--Series 2001 (Open Space)	3-1-01	615,000.00	3-1-12	46,485.00	4.375%				
			3-1-13	46,485.00	4.500%				
			3-1-14	49,584.00	4.500%				
			3-1-15	50,359.00	4.625%				
			3-1-16	54,077.00	4.625%	293,475.00		293,475.00	
Restructured Bonds--Series 2003	1-1-03	765,000.00	1-1-12	80,000.00	3.700%				
			1-1-13	80,000.00	4.000%				
			1-1-14	80,000.00	3.900%				
			1-1-15	85,000.00	4.050%				
			1-1-16	85,000.00	4.150%				
			1-1-17	85,000.00	4.250%	575,000.00		80,000.00	\$ 495,000.00
General Bonds--Series 2005	3-1-05	1,900,000.00	3-1-12	99,824.87	3.750%				
			3-1-13	116,462.35	3.750%				
			3-1-14	232,924.69	3.750%				
			3-1-15/16	232,924.69	4.000%				
			3-1-17	332,749.56	4.000%				
			3-1-18	362,697.02	4.000%	1,697,022.75		86,514.89	1,610,507.86
General Bonds--Series 2005 (Open Space)	3-1-05	955,000.00	3-1-12	50,175.13	3.750%				
			3-1-13	58,537.65	3.750%				
			3-1-14	117,075.31	3.750%				
			3-1-15/16	117,075.31	4.000%				
			3-1-17	167,250.44	4.000%				
			3-1-18	182,302.98	4.000%	852,977.25		43,485.11	809,492.14
Refunding Bonds--Series 2008	5-23-08	934,500.00	9-15-11	210,000.00					
			9-15-12	174,500.00	3.250%	584,500.00		200,000.00	384,500.00

(Continued)

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Fiscal Year Ended June 30, 2011

Purpose		Original Issue	Maturities of Bonds Outstanding June 30, 2011		Interest Rate	Balance June 30, 2010	Issued	Paid by Budget Appropriation	Balance June 30, 2011
			Date	Amount					
General Bonds--Series 2010	1-1-11	\$ 10,318,000.00	1-1-12/16	\$ 200,000.00					
			1-1-17/19	250,000.00					
			1-1-20	300,000.00					
			1-1-21/22	400,000.00					
			1-1-23/28	500,000.00					
			1-1-29/32	600,000.00					
			1-1-33/34	700,000.00					
			1-1-35	668,000.00	3.900%		\$ 10,318,000.00		\$ 10,318,000.00
Refunding Bonds--Series 2010	3-1-11	1,955,000.00	3-1-12	320,000.00	2.000%				
			3-1-13	315,000.00	2.000%				
			3-1-14	325,000.00	2.750%				
			3-1-15	325,000.00	3.000%				
			3-1-16	345,000.00	3.000%		1,955,000.00	\$ 325,000.00	1,630,000.00
						<u>\$ 5,603,500.00</u>	<u>\$ 12,273,000.00</u>	<u>\$ 2,629,000.00</u>	<u>\$ 15,247,500.00</u>
Issued for Cash							\$ 10,318,000.00		
Issued and Deposited with Trustee:									
To Refund Bonds							1,894,000.00		
Settlement Costs							61,000.00		
							<u>\$ 12,273,000.00</u>		
Refunded								\$ 1,894,000.00	
Paid by Budget Appropriations									
Current Fund Budget								735,000.00	
								<u>\$ 2,629,000.00</u>	

TOWNSHIP OF BERLIN
GENERAL CAPITAL FUND
Statement of Green Acres Loan
For the Fiscal Year Ended June 30, 2011

<u>Purpose</u>		<u>Original Issue</u>	<u>Maturities of Bonds Outstanding June 30, 2011</u>		<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Issued for Cash</u>	<u>Paid by Open Space Budget Appropriation</u>	<u>Balance June 30, 2011</u>
			<u>Date</u>	<u>Amount</u>					
Green Acres Loan	12-10-04	\$ 250,000.00	9-10-11	\$ 5,941.63					
			3-10-12	6,001.05					
			9-10-12	6,061.06					
			3-10-13	6,121.67					
			9-10-13	6,182.89					
			3-10-14	6,244.72					
			9-10-14	6,307.16					
			3-10-15	6,370.24					
			9-10-15	6,433.94					
			3-10-16	6,498.28					
			9-10-16	6,563.26					
			3-10-17	6,628.89					
			9-10-17	6,695.18					
			3-10-18	6,762.13					
			9-10-18	6,829.76					
			3-10-19	6,898.05					
			9-10-19	6,967.03					
			3-10-20	7,036.70					
			9-10-20	7,107.07					
			3-10-21	7,178.14					
			9-10-21	7,249.92					
			3-10-22	7,322.42					
			9-10-22	7,395.65					
			3-10-23	7,469.60					
			9-10-23	7,544.30					
			3-10-24	7,619.74					
			9-10-24	7,695.94	2.00%	\$ 194,833.82		\$ 11,707.37	\$ 183,126.45
						<u>\$ 194,833.82</u>	<u>-</u>	<u>\$ 11,707.37</u>	<u>\$ 183,126.45</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF BERLIN
SEWER UTILITY FUND
Statement of Sewer Utility Cash per N.J.S.40A:5-5--Chief Financial Officer
For the Fiscal Year Ended June 30, 2011

	<u>Operating</u>	<u>Capital</u>
Balance June 30, 2010	\$ 361,715.36	\$ 9,046.14
Increased by Receipts:		
Utility Collector	\$ 1,050,778.03	
Miscellaneous	348.20	
Due Sewer Utility Operating Fund		\$ 14.16
Due Sewer Utility Capital Fund	13.53	
Due Current Fund	333,769.26	
Contra	<u>675.38</u>	
	<u>1,385,584.40</u>	<u>14.16</u>
	1,747,299.76	9,060.30
Decreased by Disbursements:		
2011 Fiscal Year Appropriations	714,291.80	
Due to Borough of Berlin--		
Water Reconnection Fees	625.00	
Due to Paparone Builders -- Sewer Escrow	4,800.00	
Accrued Interest on Bonds and Notes	303,701.51	
Appropriation Reserves	3,049.78	
Due Sewer Utility Operating Fund		13.53
Due Current Fund	334,676.11	
Fund Balance Utilized as Revenue in the Current Fund	53,000.00	
Contra	<u>675.38</u>	
	<u>1,414,819.58</u>	<u>13.53</u>
Balance June 30, 2011	<u><u>\$ 332,480.18</u></u>	<u><u>\$ 9,046.77</u></u>

TOWNSHIP OF BERLIN
 SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash
 For the Fiscal Year Ended June 30, 2011

	Balance	<u>Receipts</u>	<u>Disbursements</u>		<u>Transfers</u>		Balance
	<u>June 30, 2010</u>	<u>Miscellaneous</u>	<u>Improvement</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	<u>June 30, 2011</u>
			<u>Authorizations</u>				
Due Sewer Utility Operating Fund	\$ 9,046.14	\$ 14.16		\$ 13.53			\$ 9,046.77
	<u>\$ 9,046.14</u>	<u>\$ 14.16</u>	<u>-</u>	<u>\$ 13.53</u>	<u>-</u>	<u>-</u>	<u>\$ 9,046.77</u>

TOWNSHIP OF BERLIN
SEWER UTILITY OPERATING FUND
 Statement of Sewer Cash and Reconciliation per N.J.S.40A:5-5--Collector
 For the Fiscal Year Ended June 30, 2011

Receipts:

Consumer Accounts Receivable	\$ 828,140.39
Prepaid Sewer Rents	181,079.61
Water Connection Fees--Due to Borough of Berlin	625.00
Sewer Escrow--Due to Paparone Builders	4,800.00
Connection Fees	25,170.00
Interest on Delinquent Rents	<u>10,963.03</u>
	1,050,778.03

Decreased by:

Turnovers to Treasurer	<u><u>\$ 1,050,778.03</u></u>
------------------------	-------------------------------

SEWER UTILITY OPERATING FUND
 Statement of Consumer Accounts Receivable
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 1,453.98
Increased by:	
Fiscal Year 2011 Net Billings	<u>1,012,141.01</u>
	1,013,594.99
Decreased by:	
Collections	\$ 828,140.39
Prepays Applied	<u>184,483.88</u>
	<u>1,012,624.27</u>
Balance June 30, 2011	<u><u>\$ 970.72</u></u>

TOWNSHIP OF BERLIN
SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital
 For the Fiscal Year Ended June 30, 2011

<u>Description</u>	<u>Balance June 30, 2010</u>	<u>Additions By Ordinance</u>	<u>Balance June 30, 2011</u>
Sewerage Collection System	\$ 12,491,344.10		\$ 12,491,344.10
	\$ 12,491,344.10	-	\$ 12,491,344.10

Exhibit SD-6

SEWER UTILITY OPERATING FUND
 Statement of Prepaid Sewer Rents
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010 (Fiscal Year 2011 Rents)	\$	184,483.88
Increased by:		
Collections		181,079.61
		365,563.49
Decreased by:		
Application to Sewer Consumer Accounts Receivable		184,483.88
Balance June 30, 2011 (Fiscal Year 2012 Rents)	\$	181,079.61

Exhibit SD-7

SEWER UTILITY OPERATING FUND
 Statement of Sewer Liens Receivable
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$	295.00
Decreased by:		
Transferred to Municipal Tax Title Liens		295.00
Balance June 30, 2011		-

TOWNSHIP OF BERLIN
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 117,279.22
Increased by:	
Charged to Utility Operating Budget	315,415.87
	432,695.09
Decreased by:	
Interest Paid	303,701.51
Balance June 30, 2011	\$ 128,993.58

Analysis of Balance June 30, 2011

<u>Principal Outstanding June 30, 2011</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Long Term Bonds:					
\$ 4,810,000.00	Variable	1-01-11	6-30-11	180 Days	\$ 105,344.38
1,900,500.00	Variable	3-15-11	6-30-11	107 Days	23,649.20
					\$128,993.58

TOWNSHIP OF BERLIN
SEWER UTILITY OPERATING FUND
 Statement of Fiscal Year 2010 Appropriation Reserves
 For the Fiscal Year Ended June 30, 2011

	Balance June 30, 2010		Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserves</u>		
Operating:				
Salaries and Wages		\$ 462.82		\$ 462.82
Other Expenses	\$ 2,262.45	13,043.23	\$ 3,049.78	12,255.90
	2,262.45	13,506.05	3,049.78	12,718.72
Deferred Charges and Statutory Expenditures				
Statutory Expenditures:				
Contribution to:				
Social Security System		295.06		295.06
	-	295.06	-	295.06
	\$ 2,262.45	\$ 13,801.11	\$ 3,049.78	\$ 13,013.78

SEWER UTILITY CAPITAL FUND
 Statement of Due to Sewer Utility Operating Fund
 For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 9,046.14
Increased by:	
Receipts:	
Interest Earned on Deposits	14.16
	9,060.30
Decreased by:	
Interfund Loans Returned	13.53
Balance June 30, 2011	\$ 9,046.77

SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Fiscal Year Ended June 30, 2011

Balance June 30, 2010	\$ 5,515,844.10
Increased by:	
Long Term Bonded Debt Paid by Operating Budget	<u>265,000.00</u>
Balance June 30, 2011	<u><u>\$ 5,780,844.10</u></u>

TOWNSHIP OF BERLIN
SEWER UTILITY CAPITAL FUND
 Statement of Long Term Bonded Debt
 For the Fiscal Year Ended June 30, 2011

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2011		Interest Rate	Balance June 30, 2010	Increased	Paid by Budget Appropriation	Balance June 30, 2011
			Date	Amount					
Refunding Bonds	1-01-03	6,210,000.00	(A)	(A)	2.00 - 4.65%	\$ 4,990,000.00		\$ 180,000.00	\$ 4,810,000.00
Refunding Bonds	5-23-08	2,180,500.00	(B)	(B)	3.25 - 5.00%	1,985,500.00		85,000.00	1,900,500.00
						<u>\$ 6,975,500.00</u>	<u>-</u>	<u>\$ 265,000.00</u>	<u>\$ 6,710,500.00</u>

(A)	Payment Date	Amount						
	1-01-2012	\$ 200,000.00	1-01-2017	\$ 255,000.00	1-01-2022	\$ 295,000.00	1-01-2027	\$ 370,000.00
	1-01-2013	210,000.00	1-01-2018	245,000.00	1-01-2023	310,000.00	1-01-2028	390,000.00
	1-01-2014	225,000.00	1-01-2019	260,000.00	1-01-2024	325,000.00		
	1-01-2015	235,000.00	1-01-2020	270,000.00	1-01-2025	340,000.00		
	1-01-2016	245,000.00	1-01-2021	280,000.00	1-01-2026	355,000.00		
								<u>\$ 4,810,000.00</u>

(B)	Payment Date	Amount	Payment Date	Amount	Payment Date	Amount	Payment Date	Amount
	9-15-2011	\$ 90,000.00	9-15-2015	\$ 105,000.00	9-15-2019	\$ 130,000.00	9-15-2023	\$ 155,000.00
	9-15-2012	120,500.00	9-15-2016	110,000.00	9-15-2020	135,000.00	9-15-2024	160,000.00
	9-15-2013	100,000.00	9-15-2017	115,000.00	9-15-2021	140,000.00	9-15-2025	170,000.00
	9-15-2014	105,000.00	9-15-2018	120,000.00	9-15-2022	145,000.00		
								<u>\$ 1,900,500.00</u>

TOWNSHIP OF BERLIN
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

TOWNSHIP OF BERLIN
Schedule of Findings and Recommendations
For the Fiscal Year Ended June 30, 2011

Schedule of Financial Statement Findings

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

None.

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

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

FINANCIAL STATEMENT FINDINGS

None

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

Not Applicable.

TOWNSHIP OF BERLIN
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>	
Phyllis A. Magazzu	Mayor		
Christopher T. Morris	Council President		
Thomas J. DiGangi	Councilmember		
Joseph L. Batten	Councilmember (until December 2010)		
Marion Bodanza	Councilmember (from January 2011)		
Jerome McIntosh	Councilmember		
Lori A. Campisano	Chief Financial Officer/Treasurer; Qualified Purchasing Agent	\$1,000,000.00	(A)
Cathy Underwood	Township Clerk, Improvement Search Clerk, Registrar of Vital Statistics	1,000,000.00	(A)
Donna DeCinque	Deputy Registrar of Vital Statistics	1,000,000.00	(A)
Emma Walsh	Finance Clerk (until August 2010)	1,000,000.00	(A)
Donafaye Wilson Zoll, Esq.	Solicitor (until August 2010)		
Stuart Platt	Solicitor (from August 2010)		
Nicholas F. Trabosh, Esq.	Judge of the Municipal Court	1,000,000.00	(A)
Maria Reed	Court Administrator and Violations Clerk	1,000,000.00	(A)
Vicki Taylor	Deputy Court Administrator and Violations Clerk	1,000,000.00	(A)
Kelly McCauley	Secretary to the Building Inspector, Planning Board and Zoning Board	1,000,000.00	(A)
Charles J. Riebel, Jr.	Engineer		
	Public Works Director		
Michael Laginestra	Secretary to Board of Health, Zoning Officer and Property Maintenance Inspector (until January 2011)	1,000,000.00	(A)
Joshua Shellenberger	Secretary to Board of Health and Property Maintenance Inspector (from February 2011)	1,000,000.00	(A)
Robert Martin	Engineering Technician and Zoning Officer (from February 2011)	1,000,000.00	(A)
Diane Zoppel	Tax and Sewer Utility Collector	1,000,000.00	(A)
	Tax Search Clerk		
Dana O'Hara	Tax and Sewer Clerk	1,000,000.00	(A)
Michael DePalma	Building Subcode Official/Inspector and Construction code Officer	1,000,000.00	(A)
Joseph Jackson	Fire Subcode Official/Inspector (until March 2011)	1,000,000.00	(A)
Ralph Jones	Fire Subcode Official/Inspector (from March 2011)	1,000,000.00	(A)
Ken Snuffin	Plumbing Inspector	1,000,000.00	(A)
Sal Satania	Electrical Inspector	1,000,000.00	(A)
Anthony Colavecchio	Tax Assessor		
Joseph Jackson	Police Chief	1,000,000.00	(A)

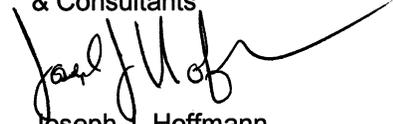
(A) Employees not individually bonded are covered through the Camden County Joint Insurance Fund for \$1,000,000.00 per each loss.

APPRECIATION

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

Respectfully submitted,

**BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants**



**Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant**

