

TOWNSHIP OF WEST DEPTFORD

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

**TOWNSHIP OF WEST DEPTFORD
COUNTY OF GLOUCESTER**

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**TOWNSHIP OF WEST DEPTFORD
COUNTY OF GLOUCESTER**

PART I

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2011**





Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of West Deptford
County of Gloucester
Thorofare, New Jersey 08086

We have audited the accompanying statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of West Deptford, State of New Jersey as of December 31, 2011 and the related statements of operations and changes in fund balance--regulatory basis for the year then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis and statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Township of West Deptford's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements as of December 31, 2010, were audited by other auditors whose report dated April 15, 2011 expressed a qualified opinion on those statements.

Except as discussed in the following paragraph, 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 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 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.

The values assigned to the general fixed assets account group was not determinable because the testing of fixed asset inventory yielded several exceptions where assets could not be located and/or properly identified and contained assets of the water-sewer utility capital fund. The projected error is material to the financial statements and the correct amount that should be reported as general fixed assets is not ascertainable.

The value of water-sewer utility fund revenues were not determinable because the testing of the water-sewer meter readings yielded various exceptions including suspicious meter cards, lack of supporting

documentation, and improper meter reading procedures. The projected error is material to the financial statements and the correct amount that should be reported as water-sewer revenue is not ascertainable.

In our opinion, because of the effects of the matters, as discussed in the preceding three paragraphs, 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 West Deptford, State of New Jersey, as of December 31 2011, the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the Township of West Deptford, State of New Jersey has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Furthermore, in our opinion, except for the valuation of the general fixed asset account group and water-sewer utility revenues as described in the fourth and fifth paragraphs, 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 West Deptford, State of New Jersey, as of December 31, 2011 and the results of its operations and changes in fund balance of such funds--regulatory basis for the year then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 19, 2012, on our consideration of the Township of West Deptford, 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 read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements of the Township of West Deptford's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

Medford, New Jersey
July 19, 2012



Certified Public Accountants & Consultants

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

The Honorable Mayor and Members
of the Township Committee
Township of West Deptford
County of Gloucester
Thorofare, New Jersey 08086

We have audited the financial statements of the Township of West Deptford, County of Gloucester, State of New Jersey, as of and for the fiscal year ended December 31, 2011, and have issued our report thereon dated July 19, 2012. Our report rendered a qualified opinion and disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our report, our opinion was qualified because the valuation of the general fixed assets account group and water-sewer revenues was not determinable. Testing of fixed asset inventory yielded several exceptions where assets could not be located and/or properly identified and contained assets of the water-sewer utility capital fund. Further, testing of the water-sewer meter readings yielded various exceptions including suspicious meter cards, lack of supporting documentation, and improper meter reading procedures. The projected errors are material to the financial statements and the correct amount that should be reported as general fixed assets and water-sewer revenue is not ascertainable. Except as described above, 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 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 West Deptford'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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

However, as described in the accompanying Comment and Recommendation Section, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Comment and Recommendation Section as Finding No.'s: 2011-14, 2011-15, 2011-18 and 2011-33 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Comment and Recommendation Section as Finding No.'s: 2011-01, 2011-02, 2011-05, 2011-06, 2011-09, 2011-16, 2011-17, 2011-19, 2011-21, 2011-22, 2011-23, 2011-25, 2011-26, 2011-28, 2011-29, 2011-30, and 2011-32 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of West Deptford'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 thirteen instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying Comment and Recommendation Section as Finding No.'s: 2011-03, 2011-04, 2011-07, 2011-08, 2011-10, 2011-11, 2011-12, 2011-13, 2011-20, 2011-24, 2011-27, 2011-31, and 2011-34.

This report is intended solely for the information and use of the Township of West Deptford's management, and Committee members, others within the organization, the Division of Local Government Services, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

Medford, New Jersey
July 19, 2012

FINANCIAL STATEMENTS

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Regular Fund:			
Cash:			
Treasurer	A-4	\$7,250,946	5,037,718
Change Fund	A-5	<u>1,600</u>	<u>1,600</u>
Total		<u>7,252,546</u>	<u>5,039,318</u>
Due State of New Jersey Senior Citizen & Veterans			
Deductions	A-10	<u>18,645</u>	<u>18,152</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	1,218,701	1,374,537
Tax Title Liens Receivable	A-7	1,263,841	1,164,527
Foreclosed Property - Assessed Valuation	A-8	764,800	764,800
Revenue Accounts Receivable	A-9	22,556	27,764
Prepaid County Taxes	A		20,742
Due from:			
Payroll Fund	F	91,522	
RiverWinds Tax Defeasance	B		337
Due from Trust Fund	B	20,677	
Drainage Basin	B	153	702
Dog License Trust Fund	B	2,125	2,008
Water & Sewer Operating Fund	D		1,990,950
Water & Sewer Capital Fund	D	42,662	258,768
Off-Duty Police Trust Fund	B		80
Tax Sale Trust Fund	B		19,322
Employee Health Claims	B		84,448
Escrow Trust Fund	B		<u>58,234</u>
Total Receivables & Other Assets With Full Reserves		<u>3,427,037</u>	<u>5,767,219</u>
Total Regular Funds		<u>10,698,228</u>	<u>10,824,689</u>
Federal & State Grants:			
Cash - Treasurer	A-4	296,396	229,283
Grants Receivable	A-15	879,759	691,928
Due From Current Fund	A	<u>220,699</u>	<u>236,986</u>
Total State & Federal Grants		<u>1,396,854</u>	<u>1,158,197</u>
Total Assets		<u>\$12,095,082</u>	<u>11,982,886</u>

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

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-14	\$1,742,846	1,406,015
Reserve for Encumbrances	A-12	151,102	336,038
Prepaid Taxes	A	291,423	319,223
Tax Overpayments	A	89,336	141,068
Due State of New Jersey - DCA Fees	A		25,451
Local District School Taxes Payable	A-13	275,488	842,363
County Tax Payable	A	2,858	
Due County for Added & Omitted Taxes	A	31,339	38,317
Reserve for Revaluation	A-14	6,805	6,805
Due to Affordable Housing	B		4,942
Due to:			
General Capital	C	505,380	799,409
Street Opening Trust Fund	B		21,150
K-9 Donation Trust Fund	B		9,279
Municipal Open Space Trust	B	133	
Water & Sewer Utility	D	201,307	
POAA Trust Fund	B		1,437
Grant Fund	A	220,699	236,986
		<hr/>	<hr/>
Subtotal Regular Fund		3,518,716	4,188,483
		<hr/>	<hr/>
Reserve for Receivables & Other Assets	A	3,427,037	5,767,219
Fund Balance	A-1	3,752,475	868,987
		<hr/>	<hr/>
Total Regular Fund		10,698,228	10,824,689
		<hr/>	<hr/>
Federal & State Grants:			
Reserve for Federal & State Grants:			
Appropriated	A-16	1,296,322	1,069,996
Unappropriated	A-17	61,057	82,270
Due to General Capital	C	35,564	5,931
Encumbrances Payable		3,911	
		<hr/>	<hr/>
Total State & Federal Grants		1,396,854	1,158,197
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$12,095,082	11,982,886
		<hr/> <hr/>	<hr/> <hr/>

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

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

	REFERENCE	2011	2010
Revenue & Other Income Realized:			
Fund Balance Utilized	A-2		1,290,000
Miscellaneous Revenue Anticipated	A-2	\$8,598,198	7,437,490
Receipts From Delinquent Taxes & Tax Title Liens	A-2	1,152,133	894,585
Receipts From Current Taxes	A-2	63,787,886	62,486,517
Nonbudget Revenue	A-2	811,148	610,832
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	1,040,546	666,219
Encumbrances Payable - Cancelled	A-12	13,463	58,233
Prior Year Accounts Payable - Cancelled	A	20,742	
Grant Reserves Cancelled			497,520
Interfund Loan Returned	A	255,881	2,031,506
		<hr/>	<hr/>
Total		75,679,997	75,972,902
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries & Wages	A-3	8,112,558	7,939,979
Other Expenses	A-3	8,510,560	8,609,583
Deferred Charges & Statutory Expenditures	A-3	2,530,120	1,563,752
Excluded From "CAPS":			
Operations:			
Salaries & Wages	A-3	1,163,923	1,098,999
Other Expenses	A-3	2,659,961	3,341,037
Capital Improvements	A-3	110,107	258,096
Municipal Debt Service	A-3	5,587,090	5,959,652
County Taxes	A-6	14,269,766	14,213,516
Due County for Added & Omitted Taxes	A-6	31,339	38,317
Municipal Open Space	A-6	133	
Local District School Tax	A-13	29,730,495	29,179,520
Grants Receivable Cancelled	A-15		624,498
Prior Year Deductions Disallowed	A-10		3,843
Interfund Loan Advanced	A	90,457	2,317,875
Refund of Prior Year Revenue	A		5,343
		<hr/>	<hr/>
Total Expenditures		72,796,509	75,154,010
Excess/(Deficit) in Revenue		<hr/>	<hr/>
		2,883,488	818,892
Statutory Excess to Fund Balance		2,883,488	818,892
Fund Balance January 1	A	868,987	1,340,095
		<hr/>	<hr/>
Total		3,752,475	2,158,987
Decreased by: Utilization as Anticipated Revenue	A-1		1,290,000
		<hr/>	<hr/>
Fund Balance December 31	A	\$3,752,475	868,987
		<hr/>	<hr/>

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

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

Fund Balance Utilized	APPROPRIATED		EXCESS OR (DEFICIT)
	BUDGET	BY N.J.S.A.40A:47-87 REALIZED	
Miscellaneous Revenue:			
Licenses - Alcoholic Beverages	\$22,050	22,150	100
Fees & Permits	92,518	79,840	(12,678)
Fines & Costs - Municipal Court	362,779	318,459	(44,320)
Interest & Costs on Taxes	214,415	243,211	28,796
Interest on Investments & Deposits	66,087	49,332	(16,755)
Consolidated Municipal Property Tax Relief Act	275,991	275,991	
Energy Receipts Tax	1,733,250	1,733,250	
Uniform Fire Safety Act	71,300	122,775	51,475
Uniform Construction Code Fees	289,549	267,191	(22,358)
Recycling Tonnage Grant	58,982	58,982	
Municipal Alliance on Alcoholism & Drug Abuse	17,920	17,920	
Body Armor Replacement	5,234	5,234	
Roadway Repair State Aid	200,000	200,000	
Community Development Block Grant	68,000	68,000	
Clean Communities		35,042	
Safe & Secure	60,000	60,000	
Click it or Ticket	4,000	4,000	
Emergency Management	5,000	5,000	
Alcohol Education and Rehabilitation Fund	2,061	2,061	
Drunk Driving Enforcement Fund	6,993	6,993	
Buffer Zone Protection Program	40,780	40,780	
FHG Restaurant Ground Lease	66,000	66,365	365
Paradise Solar - PILOT	83,000	16,038	(66,962)
Donations	750	2,500	1,750
Host Community Benefit Agreement	433,712	455,164	21,452
River Winds Fees	1,854,876	1,778,305	(76,571)
Payment in Lieu of Taxes	80,984	89,453	8,469
Rental of Buildings & Grounds	314,619	369,693	55,074
Franchise Fees - Cable TV	129,258	145,895	16,637
Due from Water and Sewer Operating	2,028,538	2,028,538	
Due from Escrow Trust	30,036	30,036	

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

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

	BUDGET	APPROPRIATED BY N.J.S.A.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Total Miscellaneous Revenues	8,618,682	35,042	8,598,198	(55,526)
Receipts From Delinquent Taxes	<u>591,820</u>		<u>1,152,133</u>	<u>560,313</u>
Subtotal General Revenues	9,210,502	35,042	9,750,331	504,787
Local Tax for Municipal Purposes	20,237,815		20,516,397	278,582
Minimum Library Tax	<u>878,516</u>		<u>878,516</u>	
Budget Totals	30,326,833	35,042	31,145,244	783,369
Nonbudget Revenues			<u>811,148</u>	<u>811,148</u>
Total	<u>\$30,326,833</u>	<u>35,042</u>	<u>31,956,392</u>	<u>1,594,517</u>

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$63,787,886
Less: School, County Taxes, Special District & Open Space	<u>44,031,733</u>
Balance for Support of Municipal Budget Appropriations	19,756,153
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,638,760</u>
Total Amount for Support of Municipal Budget Appropriation	<u>\$21,394,913</u>
Receipts From Delinquent Taxes:	
Tax Title Liens	\$21,325
Delinquent Tax Collections	<u>1,130,808</u>
Total Receipts From Delinquent Taxes	<u>\$1,152,133</u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:	
Revenue Accounts Receivable:	
Gloucester County Fuel	\$18,538
Resource Officer - Interlocal - School Board	126,710
Insurance Refunds	194,133
Sale of Property	26,969
SC and Vets Administrative Fees	6,244
Miscellaneous Tax Collector	8,494
Damage to Twp Property	14,783
Player Development Building	11,635
Scrap Metal & Batteries	9,518
Recycling Program	97,888
Election Refund	31,150
Summer Recreation Registration	41,250
NJ DMV Revenue	65,520
Miscellaneous	<u>158,316</u>
Total	<u>\$811,148</u>

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

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

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
General Government:						
Mayor & Council:						
Salaries and Wages	\$39,800	42,000	41,969		31	
Other Expenses	3,315	3,315	3,007	60	248	
Township Clerk:						
Salaries and Wages	15,086	15,086	14,919		167	
Other Expenses	76,142	76,142	56,662	3,239	16,241	
General Administration:						
Salaries and Wages	190,491	191,841	184,201		7,640	
Other Expenses	74,710	74,710	62,201	1,342	11,167	
Financial Administration (Treasury):						
Salaries and Wages	141,334	145,684	138,068		7,616	
Other Expenses	117,375	117,375	74,288	327	42,760	
Tax Assessment Administration:						
Other Expenses	38,500	38,500	24,181		14,319	
Revenue Administration (Tax Collection):						
Salaries and Wages	152,858	160,208	152,590		7,618	
Other Expenses	11,211	11,211	5,906		5,305	
Legal Services (Legal Department):						
Other Expenses	716,102	716,102	338,676		377,426	
Engineering Services:						
Other Expenses	200,000	200,000	147,311		52,689	
Land Use Administration:						
Planning Board:						
Salaries and Wages	36,141	36,141	32,137		4,004	
Other Expenses	92,850	42,850	31,116		11,734	
Zoning Board of Adjustments:						
Salaries and Wages	9,165	9,715	9,687		28	
Other Expenses	17,000	23,400	23,388		12	
Environmental Health Services:						
Other Expenses	1	1			1	
Rental Control Commission:						
Other Expenses	3,750	5,000	5,000			
Insurance:						
Liability Insurance	555,361	555,361	351,878		203,483	
Worker's Compensation Insurance	457,624	457,624	457,624			
Employee Group Insurance	2,708,619	2,708,619	2,706,731		1,888	
Public Safety Functions:						
Aid to Volunteer Fire Companies:						
Salaries and Wages	1,921	1,976	1,974		2	
Other Expenses	190,000	190,000	96,900	92,996	104	
Fire Department:						
Salaries and Wages	99,221	99,221	98,377		844	
Other Expenses	5,000	5,000	2,960		2,040	
Police Department:						
Salaries and Wages	3,957,196	3,957,196	3,893,356		63,840	
Other Expenses	157,650	157,650	145,050	4,418	8,182	
Police Reserves:						
Salaries and Wages	8,000	8,000	7,557		443	
Other Expenses	100	100			100	

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

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Public Works Functions:						
Department of Public Works:						
Buildings & Grounds:						
Salaries and Wages	40,833	40,833	8,478		32,355	
Other Expenses	29,150	32,000	29,688	2,275	37	
Streets & Road Maintenance:						
Salaries and Wages	703,421	703,421	684,532		18,889	
Other Expenses	119,250	119,250	99,079	7,043	13,128	
Snow Removal:						
Salaries and Wages	80,000	51,900	51,093		807	
Other Expenses	132,200	88,200	86,606		1,594	
Street Lighting:						
Other Expenses	297,050	240,395	188,963	16	51,416	
Other Public Works Functions (Leaf Collection):						
Salaries and Wages	102,000	72,900	72,813		87	
Other Expenses	11,300	11,300	10,815	62	423	
Solid Waste Collection:						
Salaries and Wages	1,145,688	1,160,338	1,144,042		16,296	
Other Expenses	49,100	100,700	99,702	980	18	
Maintenance of Motor Vehicles:						
Other Expenses	255,640	225,640	184,020	6,133	35,487	
Sanitary Landfill:						
Other Expenses	1,210,000	1,210,000	864,536		345,464	
Recycling:						
Other Expenses	114,000	64,000	50,400		13,600	
Health & Human Services:						
Public Health Services (Board of Health):						
Salaries and Wages	3,516	3,516			3,516	
Other Expenses	5,250	15,700	8,188	7,500	12	
Animal Control Services (Dog Regulation):						
Salaries and Wages	1	351	332		19	
Other Expenses	1	551	508		43	
Commission on Disabled:						
Salaries and Wages	1	1			1	
Other Expenses	3,430	3,430	1,325		2,105	
Parks & Recreation:						
Recreation Services & Programs:						
Salaries and Wages	570,968	595,168	582,843		12,325	
Other Expenses	173,800	238,400	207,395	4,140	26,865	
Office of Emergency Management:						
Salaries and Wages	10,801	11,101	11,096		5	
Municipal Court:						
Salaries and Wages	210,150	210,150	175,038		35,112	
Other Expenses	28,967	28,967	16,518	91	12,358	
Prosecutor:						
Salaries and Wages	23,355	24,005	23,991		14	
Public Defender:						
Salaries and Wages	17,840	17,840	16,785		1,055	

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

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Utility Expenses & Bulk Purchases:						
Electricity	265,850	265,850	229,493		36,357	
Telephone Expenses	57,035	57,035	56,619	85	331	
Fuel Oil	20,850	20,850	16,369		4,481	
Telecommunications	60,000	60,000	696		59,304	
Gasoline	264,850	264,850	256,138	5,592	3,120	
Uniform Construction Code:						
Construction Official:						
Salaries and Wages	210,918	228,418	220,732		7,686	
Other Expenses	18,050	18,050	11,601		6,449	
Plumbing Official:						
Salaries and Wages	18,027	19,527	19,503		24	
Electrical Official:						
Salaries and Wages	27,163	27,913	27,903		10	
Housing Official:						
Salaries and Wages	58,151	58,151	44,741		13,410	
Other Expenses	1	1			1	
Accumulated Leave Compensation:						
Salaries and Wages	80,000	88,100	88,100			
Clean Communities:						
Salaries and Wages	1	2,201			2,201	
Other Expenses	1	1			1	
RiverWinds:						
Salaries and Wages	82,756	129,656	116,158		13,498	
Other Expenses	62,430	62,430	11,415	14,726	36,289	
Total Operation Within "CAPS"	16,640,318	16,623,118	14,825,968	151,025	1,646,125	
Detail:						
Salaries and Wages	8,036,803	8,112,558	7,863,015		249,543	
Other Expenses (Including Contingent)	8,603,515	8,510,560	6,962,953	151,025	1,396,582	
Deferred Charges/Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Public Employees Retirement System						
System	689,729	689,979	689,976		3	
Police & Fire Retirement System	938,415	938,415	938,415			
Social Security System (O.A.S.A.I.)	708,895	725,845	724,809		1,036	
Unemployment Insurance	175,000	175,000	175,000			
Defined Contribution Retirement Plan						
Plan	881	881	538		343	
Total Deferred Charges & Statutory Expenditures Within "CAPS"	2,512,920	2,530,120	2,528,738		1,382	
Total General Appropriations for Municipal Purposes Within "CAPS"	19,153,238	19,153,238	17,354,706	151,025	1,647,507	

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

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
OPERATIONS EXCLUDED FROM "CAPS":						
Municipal Library:						
Other Expenses	878,516	878,516	876,120	77	2,319	
Reserve for Tax Appeals:						
Other Expenses	500,000	500,000	408,980		91,020	
Aid to Volunteer Fire Companies:						
Other Expenses	2,000	2,000			2,000	
RiverWinds:						
Salaries and Wages	1,050,069	1,066,819	1,066,819			
Other Expenses	804,807	804,807	804,807			
LOSAP:						
Other Expenses	80,000	63,250	63,250			
Public & Private Programs Offset by Revenues:						
Clean Communities Act:						
Salaries & Wages		35,042	35,042			
Safe & Secure Communities:						
Salaries & Wages	60,000	60,000	60,000			
Municipal Alliance:						
Other Expenses	22,400	22,400	22,400			
Municipal Court Alcohol Rehabilitation:						
Salaries & Wages	2,061	2,061	2,061			
Recycling Tonnage	58,982	58,982	58,982			
Click it or Ticket	4,000	4,000	4,000			
Body Armor Replacement Fund	5,234	5,234	5,234			
Drunk Driving Enforcement:						
Salaries and Wages	1	1	1			
Other Expenses	6,992	6,992	6,992			
Community Block Development						
Grant	68,000	68,000	68,000			
Buffer Zone Protection Grant	40,780	40,780	40,780			
Emergency Management	5,000	5,000	5,000			
Roadway Repair State Aid	200,000	200,000	200,000			
Total Operations Excluded From "CAPS"	3,788,842	3,823,884	3,728,468	77	95,339	
Detail:						
Salaries and Wages	1,112,131	1,163,923	1,163,923			
Other Expenses	2,676,711	2,659,961	2,564,545	77	95,339	
Capital Improvements - Excluded from from "CAPS":						
Capital Improvement	89,517	89,517	89,517			
Down Payments & Improvements	20,590	20,590	20,590			
Total Capital Improvements Excluded from "CAPS"	110,107	110,107	110,107			

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

OPERATIONS	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Municipal Debt Service - Excluded from "CAPS":						
Payment of Bond Principal	1,261,951	1,261,951	1,261,951			
Interest on Bonds	4,278,412	4,278,412	4,278,164			248
Interest on Notes	45,000	45,000	21,703			23,297
Capital Lease Obligations:						
Principal	46,932	46,932	23,000			23,932
Interest	3,592	3,592	2,272			1,320
Total Municipal Debt Service Excluded From "CAPS"	5,635,887	5,635,887	5,587,090			48,797
Total General Appropriations for Municipal Purposes Excluded From "CAPS"	9,534,836	9,569,878	9,425,665	77	95,339	48,797
Subtotal General Appropriations	28,688,074	28,723,116	26,780,371	151,102	1,742,846	48,797
Reserve For Uncollected Taxes	1,638,760	1,638,760	1,638,760			
Total General Appropriations	\$30,326,834	30,361,876	28,419,131	151,102	1,742,846	48,797
 Budget		\$30,326,834				
Appropriations by 40A:4-87		35,042				
 Total		\$30,361,876				
	Reserve for Federal & State Grants		\$508,492			
	Reserve for Uncollected Taxes		1,638,760			
	Refunds		(127,004)			
	Due from Payroll Fund		(76,097)			
	Due Capital Fund		20,590			
	Disbursed		26,454,390			
	Total		\$28,419,131			

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

**TOWNSHIP OF WEST DEPTFORD
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Dog Trust Fund:			
Cash - Treasurer	B-1	\$8,577	8,072
Employee Health Claims Trust Fund:			
Cash - Treasurer	B-1		84,448
Open Space Trust Fund			
Cash - Treasurer	B-1	1,232,411	1,412,457
Due from Current Fund	A	133	
Street Opening Trust Fund:			
Cash - Treasurer	B-1	115,633	74,248
Due from Current Fund			21,150
Reeves Cemetery Trust Fund:			
Cash - Treasurer	B-1		4,168
Tax Sale Trust Fund:			
Cash - Treasurer	B-1	399,037	177,714
Affordable Housing:			
Cash - Treasurer	B-1	52,219	41,392
Due from Current Fund			4,942
Drainage Basin:			
Cash - Treasurer	B-1	77,482	78,031
RiverWinds Tax Defeasance Trust Fund:			
Cash - Treasurer	B-1	184,939	123,499
POAA Fees:			
Cash - Treasurer	B-1	1,500	1,437
Unemployment Trust Fund:			
Cash - Treasurer	B-1	220,120	73,275
Escrow Trust Fund:			
Cash - Treasurer	B-1	462,190	492,840
Public Defender:			
Cash - Treasurer	B-1	18,860	
Mayor Food & Holiday Drive:			
Cash - Treasurer	B-1	1,879	14,136
K-9 Donations:			
Cash - Treasurer	B-1	4,261	
Due from Current Fund	A		9,279
Off-Duty Police Trust Fund:			
Cash - Treasurer	B-1	8,664	
Off-Duty Receivables	B		30,450
Police Forfeited Funds Trust Fund:			
Cash - Federal Funds	B-1	27,459	1,082
Cash - State/County Funds	B-1	33,129	19,120
Total Assets		<u>\$2,848,493</u>	<u>2,671,740</u>

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

**TOWNSHIP OF WEST DEPTFORD
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2011	2010
Dog Trust Fund:			
Due Current Fund	A	\$2,125	2,008
Due State of New Jersey	B	20	25
Reserve Dog Fund Expenditures	B-2	6,432	6,039
Employee Health Claims Trust Fund:			
Due to Current Fund	A		84,448
Open Space Trust Fund:			
Reserve for Municipal Open Space	B-5	1,232,544	1,412,457
Street Opening Trust Fund:			
Reserve for Street Opening	B-5	115,633	95,398
Reeves Cemetery Trust Fund:			
Reserve for Reeves Cemetery	B-5		4,168
Tax Sale Trust Fund:			
Due Current Fund	A	2,829	19,322
Reserve for Tax Sale Redemption	B-3	94,508	26,192
Reserve for Tax Sale Premiums	B-4	301,700	132,200
Affordable Housing:			
Reserve for Affordable Housing	B-5	52,219	46,334
Drainage Basin:			
Due Current Fund	A	153	702
Reserve for Special Projects	B-5	77,329	77,329
RiverWinds Tax Defeasance Trust Fund:			
Due Current Fund	A		337
Reserve for RiverWinds Tax Defeasance	B-5	184,939	123,162
POAA Fees:			
Reserve for POAA Fees	B-5	1,500	1,437
Unemployment Trust Fund:			
Due Current Fund	A	140	
Reserve for Unemployment Claims	B-5	219,980	73,275
Escrow Trust Fund:			
Due Current Fund	A		58,234
Reserve for Escrow Fees	B-5	462,190	434,606
Public Defender Trust Fund:			
Due Current Fund	A	16,290	
Public Defender Fees	B-5	2,570	
Mayor Food & Holiday Drive:			
Reserve for Toy & Food Drive	B-5	1,879	14,136
K-9 Donations:			
Due Current Fund	A	9	
Encumbrances Payable			629
Reserve for K-9 Donations	B-5	4,252	8,650
Off-Duty Police Trust Fund:			
Cash - Treasurer	B		10,800
Due Current Fund	A	1,409	80
Reserve Off-Duty Police	B-5	7,255	19,570
Police Forfeited Funds Trust Fund:			
Reserve for Federal Forfeited Funds	B-5	27,459	1,082
Reserve for State/County Forfeited Funds	B-5	33,129	19,120
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$2,848,493	2,671,740

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

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash - Treasurer	C-2	\$1,204,656	964,152
Cash - Trustee	C	27,221	
Grant Receivable	C-7	236,000	236,000
Due from Current Fund	C-3	505,380	799,409
Due from Water & Sewer Utility Operating	C-3	2,292	2,292
Due from Federal & State Grant Fund	C-3	35,564	5,931
Amount to be Provided by Lease Payments	C-13	21,417	68,349
Deferred Charges to Future Taxation:			
Funded	C-5	98,188,182	99,450,133
Unfunded	C-6	1,253,196	1,793,196
Overexpenditure of Improvement Authorization	C-9	2,954	
		<hr/>	
Total Assets		<u>\$101,476,862</u>	<u>103,319,462</u>
LIABILITIES, RESERVES & FUND BALANCE			
Serial Bonds	C-10	\$98,188,182	99,450,133
Bond Anticipation Notes Payable	C-14	1,088,196	1,088,196
Encumbrances Payable	C-12	2,800	45,069
Reserve for Down Payment on Improvements	C	36,302	15,712
Reserve for the Payment of Debt Service - Bonds	C	477,779	15,843
Reserve for the Payment of Debt Service - BANS	C	13,667	
Reserve for the Payment of Debt Service - GCIA	C	27,221	
Obligations Under Capital Lease	C-13	21,417	68,349
Improvement Authorizations:			
Funded	C-9	636,004	1,249,608
Unfunded	C-9	222,297	769,330
Due Water & Sewer Capital Fund	C-3	150,544	150,544
Capital Improvement Fund	C-8	141,820	
Fund Balance	C-1	470,633	466,678
		<hr/>	
Total Liabilities, Reserves & Fund Balance		<u>\$101,476,862</u>	<u>103,319,462</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$165,000 and on December 31, 2010 was \$705,000.

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

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Operating Fund:			
Cash - Treasurer	D-5	\$1,648,483	3,669,717
Due from Utility Capital	D		379,926
Due from Payroll Fund	F	9,821	
Due from Current Fund	A	201,307	
		<hr/>	
Total		1,859,611	4,049,643
Receivables & Other Assets With Full Reserves:			
Consumer Accounts Receivable	D-7	1,673,784	1,833,536
		<hr/>	
Total Receivable & Other Assets With Full Reserves		1,673,784	1,833,536
Deferred Charges:			
Deferred Charges to Future Taxation - Expenditure Without an Appropriation	D-4	5,183	
		<hr/>	
Total Operating Fund		3,538,578	5,883,179
Capital Fund:			
Cash - Treasurer	D-6	69,750	49,049
Cash - Trustee	D	1,697	
Fixed Capital	D-8	58,263,127	58,263,127
Fixed Capital Authorized & Uncompleted	D-9		170,287
Due from General Capital Fund	C	150,544	150,544
Due from Utility Operating Fund	D	341	
		<hr/>	
Total Capital Fund		58,485,459	58,633,007
		<hr/>	
Total Operating & Capital Fund		\$62,024,037	64,516,186
		<hr/> <hr/>	

Bonds and Notes authorized but not issued as of December 31, 2011 was \$0 and as of December 31, 2010 was \$753,009.

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

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4	\$91,527	6,296
Encumbrances Payable	D-4	106,120	130,572
Reserve for Engineering Escrow	D	1,175	1,175
Accrued Interest on Bonds & Notes	D-13	345,285	422,106
Utility Rent Overpayments	D-11	19,307	19,019
Due General Capital Fund	C	2,292	2,292
Due Utility Capital Fund	D	341	
Due Current Fund	A		1,990,950
		<hr/>	
Subtotal		566,047	2,572,410
		<hr/>	
Reserve for Receivables	D	1,673,784	1,833,536
Fund Balance	D-1	1,298,747	1,477,233
		<hr/>	
Total Operating Fund		3,538,578	5,883,179
		<hr/>	
Capital Fund:			
Serial Bonds Payable	D-16	15,848,818	17,320,535
Bond Anticipation Notes Payable	D-20	617,074	
Improvement Authorizations:			
Funded	D-15		170,287
Capital Improvement Fund	D-12	42,723	42,723
Gloucester County Improvement Authority:			
Lease Payable	D-18	583	144,651
New Jersey Wastewater Loan Payable	D-19	10,286,751	11,054,653
Reserve for Down Payment on Improvements	D	96,250	96,250
Due Current Fund	A	42,662	258,768
Due Utility Operating	D		379,926
Reserve for Debt Service	D	1,697	
Reserve for Accrued Interest	D	1,475	1,475
Reserve for Amortization	D-14	31,509,900	29,160,566
Fund Balance	D-2	37,526	3,173
		<hr/>	
Total Capital Fund		58,485,459	58,633,007
		<hr/>	
Total Liabilities, Reserves & Fund Balance		\$62,024,037	64,516,186
		<hr/> <hr/>	

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

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Utilized	\$610,445	
Rents	7,231,256	7,180,452
Additional Rents & Connections	3,984,550	3,965,898
Miscellaneous	140,560	795,005
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	8,428	53,861
Encumbrances Payable Cancelled		217,906
	<hr/>	<hr/>
Total Income	11,975,239	12,213,122
	<hr/>	<hr/>
Expenditures:		
Operating	8,221,661	7,307,243
Capital Improvements	41,000	131,980
Debt Service	3,190,220	3,387,471
Deficit in Operation of Prior Year		276,845
Deferred Charges & Statutory Expenditures	90,058	101,213
Interfunds Created	341	
	<hr/>	<hr/>
Total Expenditures	11,543,280	11,204,752
	<hr/>	<hr/>
Statutory Excess to Fund Balance	431,959	1,008,370
Fund Balance January 1	1,477,233	468,863
	<hr/>	<hr/>
Total	1,909,192	1,477,233
Less: Utilized by Operating Budget	610,445	
	<hr/>	<hr/>
Balance December 31	\$1,298,747	1,477,233
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The accompanying Notes to the Financial Statement are an integral part of these Statements.

**TOWNSHIP OF WEST DEPTFORD
WATER & SEWER CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$3,173
Increased by:	
Cancellation of Funded Ordinances	34,353
Balance December 31, 2011	\$37,526

**STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Operating Surplus	\$610,445	610,445	
Rents	7,142,373	7,231,256	88,883
Additional Rents & Connections	3,984,550	3,984,550	
Miscellaneous	137,000	140,560	3,560
Total	\$11,874,368	11,966,811	92,443

ANALYSIS OF REALIZED REVENUES

Rents - Consumer Accounts Receivable:	
Collected	\$11,947,504
Overpayments Applied	19,307
Total	\$11,966,811
Miscellaneous:	
Permits- Water	\$5,200
Permits- Sewer	1,700
Wheeling Fee	13,444
Interest on Delinquent Accounts	110,744
Fire Hydrant	356
Miscellaneous Revenue	760
Interest on Investments	8,356
Total	\$140,560

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

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELED	OVEREXPENDITURE
Operating:						
Salaries & Wages	\$1,177,232	1,177,232	1,133,265	43,967		
Other Expenses	7,044,429	7,044,429	7,000,760	43,669		
Capital Improvements:						
Capital Outlay	100,000	100,000	40,154	846	59,000	
Debt Service:						
Payment of Bond Principal	1,471,717	1,471,717	1,471,717			
Payment of Bond Anticipation Notes	20,000	20,000			20,000	
Interest on Bonds	775,620	775,620	761,411		14,209	
Interest on Notes			5,183			5,183
Principal & Interest - Gloucester County Improvement Authority	151,978	151,978	4,579		147,399	
Loan Principal & Interest Payments NJ Wastewater	1,043,334	1,043,334	952,513		90,821	
Statutory Expenditures:						
Social Security System (O.A.S.I.)	90,058	90,058	87,013	3,045		
Total Expenditures	\$11,874,368	11,874,368	11,456,595	91,527	331,429	5,183

Reference

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REFERENCE

Accrued Interest on Bonds & Notes	(\$76,821)
Encumbrances Payable	106,120
Due from Payroll Fund	(9,821)
Disbursed	<u>11,437,117</u>
Total	<u><u>\$11,456,595</u></u>

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

TOWNSHIP OF WEST DEPTFORD
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010

ASSETS	2011	2010
Buildings & Grounds	\$50,239,203	50,239,203
Land	30,803,100	30,803,100
Furniture & Equipment	3,946,741	3,869,727
Vehicles	6,843,547	6,588,479
	<hr/>	<hr/>
Total	\$91,832,591	91,500,509
	<hr/> <hr/>	<hr/> <hr/>
FUND BALANCE		
Investment in General Fixed Assets	\$91,832,591	91,500,509
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The accompanying Notes to the Financial Statements are an integral part of these Statements.

**TOWNSHIP OF WEST DEPTFORD
PAYROLL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011**

ASSETS	REFERENCE	2011
Cash	F	<u>\$104,360</u>
Total		<u><u>\$104,360</u></u>
 LIABILITIES 		
Payroll Deductions Payable	F	\$3,017
Due to Water-Sewer Utility Fund	D	9,821
Due to Current Fund	A	<u>91,522</u>
Total		<u><u>\$104,360</u></u>

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

**TOWNSHIP OF WEST DEPTFORD
COUNTY OF GLOUCESTER**

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

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of the taxes. The Township has no component units.

B. Description of Funds and Account Groups

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

Current Fund - Resources and expenditures for governmental operations of a general nature, including Federal and State Grant Funds.

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

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

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

Payroll/Payroll Agency Account - Receipt and disbursement of funds to meet obligations to employees and payroll tax liabilities.

General Fixed Assets - To account for fixed assets used in governmental operations.

TOWNSHIP OF WEST DEPTFORD

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

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

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differs in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant accounting principles are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet 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. Fund balance utilized to balance the budget is recorded as revenue and budgeted transfers from other funds are also recorded as revenue when anticipated in the budget. This method of revenue recognition differs from accounting principles generally accepted in the United States of America which recognizes revenue in the accounting period in which it is earned net of allowances for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31, of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted to the extent permitted or required by law.

Appropriations for principal payments on outstanding general capital and utility capital bonds and notes are provided on the cash basis; interest on general capital and utility capital indebtedness is on the cash basis. This method differs from accounting principles generally accepted in the United States of America which requires that expenditures be recorded when services are rendered or goods are received. Under accounting principles generally accepted in the United States of America, appropriation reserves do not exist and encumbrances do not constitute expenditures.

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

TOWNSHIP OF WEST DEPTFORD

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

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

C. Basis of Accounting (continued):

Insurance - Cost of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

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

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

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

General Fixed Assets - In accordance with N.J.A.C. 5:30-5.6 accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Township has not developed a fixed assets accounting and reporting system.

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

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

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value on the date of acquisition. The Township capitalizes fixed assets with an original cost in excess of \$2,000.

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

No depreciation has been provided for in the financial statements.

Fixed assets acquired through grants in aid have not been accounted for separately.

TOWNSHIP OF WEST DEPTFORD

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

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

C. Basis of Accounting (continued):

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

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

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

Capitalization of Interest -It is the policy of the Township to capitalize interest in the Sewer Capital Fund on projects during the construction phase.

D. Comparative Data

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

Note 2: Budgetary Information

The Township must adopt an annual budget in accordance with *N.J.S.A.40A:4 et al.* This budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. This protects the Township from taxes not paid currently. Once approved, the Township may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per *N.J.S.A.40A:4-46* and *54*. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety or welfare prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year.

TOWNSHIP OF WEST DEPTFORD

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

Note 2: Budgetary Information (continued):

Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. Budget transfers between appropriation accounts are prohibited until the last two months of the year. Budget transfers during the year were not significant. After approval from the Director, the Township can also make amendments for any special item of revenue made available by any public or private funding source as per *N.J.S.A.40A:4-87*. The following budget amendments were approved as follows:

Current Fund:	
Special Items of Revenue:	
Clean Communities	<u>\$35,042</u>

Note 3. Cash and Cash Equivalents

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

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$13,453,469</u>
Total Deposits	<u>\$13,453,469</u>
Reconciliation of Statement of Comparative Balance Sheets:	
Current:	
Treasurer	\$ 7,252,546
Federal & State Grants	296,396
Water & Sewer Utility Operating	1,648,483
Dog Trust	8,577
Other Trust	2,839,783
General Capital	1,231,877
Water & Sewer Capital	71,447
Payroll	<u>104,360</u>
Total Reconciliation of Comparative Balance Sheets	<u>\$13,453,469</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. The Township does not have a deposit policy for custodial credit risk. As of December 31, 2011, the Township's bank balance of \$13,422,650 was insured or collateralized as follows:

TOWNSHIP OF WEST DEPTFORD

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

Note 3. Cash & Cash Equivalents (continued):

Insured	\$ 852,599
Collateralized in the Township's Name Under GUDPA (See Note 4)	<u>12,570,051</u>
Total	<u>\$13,422,650</u>

Note 4. Governmental Unit Deposit Protection Act (GUDPA)

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

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

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

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

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories

TOWNSHIP OF WEST DEPTFORD

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

Note 4. Governmental Unit Deposit Protection Act (GUDPA) (continued):

having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

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

Note 5. Investments

As of December 31, 2011 and 2010, the Township did not have any investments.

Note 6. Risk Management

The Township is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Township maintains commercial insurance coverage for property, liability and surety bonds. Any potential liability of the Township with respect to loss claims would be equal to the deductibles associated with policies and an event, which may exceed coverage limits. There have not been any significant reductions in insurance coverage amounts.

Note 7. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ending December 31, 2011:

TOWNSHIP OF WEST DEPTFORD

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

Note 7. Fixed Assets (continued):

	Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011
Buildings & Grounds	\$50,239,203			\$50,239,203
*Land	30,803,100			30,803,100
Furniture & Equipment	3,869,727	\$ 82,271	\$ (5,257)	3,946,741
Vehicles	6,588,479	467,439	(212,371)	6,843,547
Total	<u>\$91,500,509</u>	<u>\$549,710</u>	<u>\$(217,628)</u>	<u>\$91,832,591</u>

*Land amount is at appraised value.

Note 8. Interfund Receivables and Payables

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2011:

	Due From	Due To
Current Fund	\$ 157,139	\$ 927,519
Grant Fund	220,699	35,564
Trust Other Fund	133	20,830
Dog Trust Fund		2,125
Payroll Fund		101,343
General Capital Fund	543,236	150,544
Utility Operating Fund	211,128	2,633
Utility Capital Fund	<u>150,885</u>	<u>42,662</u>
Total	<u>\$1,283,220</u>	<u>\$1,283,220</u>

The purpose of these interfunds is short-term borrowings.

Note 9. Economic Dependency

The Township of West Deptford is not economically dependent on anyone business or industry within the Township.

Note 10. Taxes Collected in Advance

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

TOWNSHIP OF WEST DEPTFORD

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

Note 10. Taxes Collected in Advance (continued):

	Balance December 31, 2011	Balance December 31, 2010
Prepaid Taxes - Cash Liability	<u>\$291,423</u>	<u>\$319,223</u>

Note 11. School Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District. In the Township's case, the amount of \$14,865,248 would be the maximum amount permitted to be deferred as of December 31, 2011, under these regulations. The Township has elected to defer school taxes as stated below.

Local School District Tax has been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

	Balance December 31, 2011	Balance December 31, 2010
Local School Taxes:		
Balance of Tax	\$12,906,439	\$13,473,314
Deferred	<u>12,630,951</u>	<u>12,630,951</u>
Tax Payable	<u>\$ 275,488</u>	<u>\$ 842,363</u>

Note 12. Deferred Compensation Plan

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets of the plan are held by independent administrators, Nationwide Retirement Systems, Equitable and Annuity Life Insurance Company.

Note 13. Accumulated Absence Benefits

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. The liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Township and its

TOWNSHIP OF WEST DEPTFORD

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

Note 13. Accumulated Absence Benefits (continued):

employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Township and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The Township has permitted employees to accrue, as of December 31, 2011, unused sick pay. A description of the Township's policy is as follows:

47-39. Sick Leave – (Amended 12-20-79 by Ordinance No.79-241):

A. As used in this section, "sick leave" means paid leave, which is additional to vacation leave, that shall be granted to each full-time classified and full-time exempt Township employee who through illness or accident is unable to report for duty or who is quarantined by a physician because he or she has been exposed to a contagious disease. Part-time and fulltime temporary employees are not eligible for sick leave.

B. During the first year of employment, sick leave shall accrue and be credited to each employee on the basis of one (1) sick day for each month of employment completed. Thereafter, sick leave shall accrue and be credited to each employee at a rate of one and one-fourth (1 %) days per month of service completed or fifteen (15) days per year. At the time of separation from Township service, the employee shall be entitled, unless otherwise excluded by contractual provisions, to separation pay on the basis of thirty percent (30%), or as a contract provides, of the sick leave accumulated and not previously used, In no event shall an employee be allowed to use accumulated sick leave as paid leave time for purposes of computing retirement date, separation and resignation date. The total value of compensated absences owed to employees as of December 31, 2011, was \$698,621.

Note 14. Pension Plans

A. Plan Description

The Township of West Deptford contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of *N.J.S.A.43:15A* and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of *N.J.S.A.43:16A*. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency,

TOWNSHIP OF WEST DEPTFORD

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

Note 14. Pension Plans (continued):

provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

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

B. Vesting and Benefit Provisions

The vesting and benefit provisions of PERS are set by N.J.S.A.43:15A and 43.3B. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 14C below.

C. Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for PERS were reduced.

TOWNSHIP OF WEST DEPTFORD

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

Note 14. Pension Plans (continued):

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the PFRS and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service. Tier 3 was added to PFRS for enrollees after June 28, 2011. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

D. Contribution Requirements

The contribution policy is set by N.J.S.A.43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees' annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both PFRS and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Plan members are required to contribute 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and West Deptford Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$689,976, \$572,209, and \$276,372, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$938,415, \$800,917 and \$379,579, respectively, equal to the required contributions for each year.

Note 15. Post-Retirement Benefits

Plan Description - Township of West Deptford, New Jersey Post-Employment Healthcare Benefit Plan is a single-employer defined benefit healthcare plan administered by Benefit Concepts. The plan provides fully-insured medical, vision, dental and prescription drug coverage to eligible retirees and their spouses.

TOWNSHIP OF WEST DEPTFORD

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

Note 15. Post-Retirement Benefits (continued):

Funding Policy - The contribution requirements of the Township are established by negotiated labor contracts. The required contribution is based on projected-pay-as-you-go financing requirements. For calendar year 2011, the Township's contribution was \$1,311,380 to the plan for current premiums. Plan members receiving benefits are not required to make contributions.

Annual O.P.E.B. Cost and Net O.P.E.B. Obligation - The Township's annual other postemployment benefit (O.P.E.B.) cost (expense) is calculated based on the annual required contribution of the employer (A.R.C.), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The A.R.C. 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 Township's annual O.P.E.B. cost for the year, the amount actually contributed to the plan, and changes in the Township's net O.P.E.B. obligation to West Deptford Township's Health Benefit Plan.

Below numbers are in Thousands:

Annual Required Contribution	\$ 5,720
Interest on Net Other Post-Employment Benefit	190
Adjustment to Annual Required Contribution	<u>240</u>
Annual Other Post-Employment Benefit Cost	5,666
Contributions Made	<u>1,170</u>
Increase in Net OPEB Obligation	4,490
Net OPEB, Beginning of Year	<u>8,650</u>
Net OPEB, End of Year	<u>\$13,140</u>

Township of West Deptford's annual Other Post-Employment Benefit cost, the percentage of annual Other Post Employment Benefit cost contributed to the Plan, and the net Other Post Employment Benefit obligation (OPEB) for the year ending December 31, 2011 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/11	\$ 5,666	20.70%	\$ 13,140

Funded Status and Funding Progress - As of December 31, 2011, the Township is considered to be an unfunded plan. There are no plan assets. The retiree benefits are paid annually on a cash basis.

TOWNSHIP OF WEST DEPTFORD

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

Note 15. Post-Retirement Benefits (continued):

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

The Actuarial Accrued Liability ("A.A.L.") is the present value of all future expected postretirement medical payments and administrative costs which are attributable to past service. The Township's unfunded A.A.L. is calculated to be \$61,950,000 as of December 31, 2011.

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

In the December 31, 2011, actuarial valuation, the unit credit method with amortization on a level dollar basis/open; over 30 years was used.

Note 16. Long-Term Debt

A Summary of Municipal Debt is as follows:

	2011	2010	2009
Bonds, Notes & Loans Issued	\$126,194,604	\$128,913,517	\$131,780,875
Bonds & Notes Authorized but not Issued	<u>165,000</u>	<u>1,458,009</u>	<u>2,429,205</u>
Net Bond & Notes Issued & Authorized but not Issued	<u>\$126,359,604</u>	<u>\$130,371,526</u>	<u>\$134,210,080</u>

\$3,507,800 General Improvement Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2011, was \$2,700,375.

\$5,238,077 General Improvement Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2011, was \$4,032,378.

\$61,680,686 General Improvement Bonds dated March 1, 2004, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 2.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$57,503,916.

TOWNSHIP OF WEST DEPTFORD

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

Note 16. Long-Term Debt (continued):

\$4,969,426 General Improvement Bonds dated December 8, 2005, payable in annual installments through March 2014. Interest is paid semi-annually at a rate of 3.75% - 5.00% per annum. The balance remaining at December 31, 2011, was \$2,958,656.

\$5,083,733 General Improvement Bonds dated November 26, 2007, payable in annual installments through November 2022. Interest is paid semi-annually at a rate of 4.125% - 4.25% per annum. The balance remaining at December 31, 2011, was \$4,232,937.

\$5,918,380 General Improvement Bonds dated September 1, 2008, payable in annual installments through September 2018. Interest is paid semi-annually at a rate of 3.82% per annum. The balance remaining at December 31, 2011, was \$5,184,920.

\$9,945,000 General Improvement Bonds dated October 1, 2001, payable in annual installments through October 2027. Interest is paid semi-annually at a rate of 3.25% per annum. The balance remaining at December 31, 2011, was \$7,775,000.

\$1,995,000 General Improvement Refunding Bonds Series B dated September 16, 2009, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 5.73% per annum. The balance remaining at December 31, 2011, was \$1,995,000.

\$3,420,000 General Improvement Refunding Bonds Series C dated September 16, 2009, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 8.31 % per annum. The balance remaining at December 31, 2011, was \$3,420,000.

\$8,385,000 General Improvement Refunding Bonds dated September 15, 2011, payable in annual installments through September 2019. Interest is paid semi-annually at a rate of 2.00% - 4.00% per annum. The balance remaining at December 31, 2011, was \$8,385,000.

\$1,088,196 Bond Anticipation Note dated April 26, 2011, payable on April 25, 2012. Interest is paid annually at a rate of 2.25% per annum. The balance remaining at December 31, 2011, was \$1,088,196.

\$617,074 Bond Anticipation Note dated June 22, 2011, payable on April 25, 2012. Interest is paid annually at a rate of 1.60% per annum. The balance remaining at December 31, 2011, was \$617,074.

\$8,219,123 Water & Sewer Utility Bonds dated September 1, 2003, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 4.50% - 4.875% per annum. The balance remaining at December 31, 2011, was \$6,327,247.

\$4,734,314 Water & Sewer Utility Bonds dated March 1, 2004, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 2.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$3,551,084.

TOWNSHIP OF WEST DEPTFORD

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

Note 16. Long-Term Debt (continued):

\$473,267 Water & Sewer Utility Bonds dated November 26, 2007, payable in annual installments through September 2022. Interest is paid semi-annually at a rate of 4.125% - 4.250% per annum. The balance remaining at December 31, 2011, was \$394,064.

\$2,836,620 Water & Sewer Utility Bonds dated September 1, 2008, payable in annual installments through September 2018. Interest is paid semi-annually at a rate of 3.82% per annum. The balance remaining at December 31, 2011, was \$2,485,080.

\$1,735,000 NJ Wastewater Treatment Trust Loan dated November 1, 1993, payable in annual installments through August 2013. Interest is paid semi-annually at a rate of 3.09% per annum. The balance remaining at December 31, 2011, was \$333,793.

\$690,000 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2011, was \$530,000.

\$711,288 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in semiannual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2011, was \$473,051.

\$2,550,000 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2011, was \$1,625,000.

\$2,672,058 NJ Environmental Infrastructure Loan dated November 1, 2004, payable in semiannual installments through August 2024. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2011, was \$1,429,266.

\$410,000 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$365,000.

\$401,631 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in semiannual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$329,758.

\$3,045,000 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$2,715,000.

\$3,023,500.00 NJ Environmental Infrastructure Loan dated November 1, 2007, payable in semiannual installments through August 2027. Interest is paid semi-annually at a rate of 3.40% - 5.00% per annum. The balance remaining at December 31, 2011, was \$2,485,883.

TOWNSHIP OF WEST DEPTFORD

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

Note 16. Long-Term Debt (continued):

As of December 31, 2011, debt service requirements on long-term debt in future years are:

Year Ended	Principal	Interest	Total
General:			
2012	\$ 4,664,912	\$ 4,244,261	\$ 8,909,173
2013	4,923,452	4,060,400	8,983,852
2014	5,314,537	3,835,896	9,150,433
2015	5,352,955	3,641,134	8,994,089
2016	5,560,589	3,413,419	8,974,008
2017-2021	27,338,484	13,248,325	40,586,809
2022-2026	24,743,954	7,677,072	32,421,026
2027-2030	<u>20,289,299</u>	<u>2,177,851</u>	<u>22,467,150</u>
Total	<u>\$98,188,182</u>	<u>\$42,298,358</u>	<u>\$140,486,540</u>

Year Ended	Principal	Interest	Total
Utility:			
2012	\$ 2,270,676	\$ 942,875	\$ 3,213,551
2013	2,375,794	854,044	3,229,839
2014	2,397,457	759,942	3,157,399
2015	1,612,868	696,121	2,308,989
2016	1,657,421	642,448	2,299,782
2017-2021	7,607,742	2,372,909	9,980,651
2022-2026	5,839,459	1,148,332	6,987,792
2027-2030	<u>2,374,736</u>	<u>195,861</u>	<u>2,570,597</u>
Total	<u>\$26,136,153</u>	<u>\$7,612,533</u>	<u>\$33,748,686</u>

Note 17. Capital Lease Obligations

The Township had lease agreements in effect at December 31, 2011, for various capital improvements. The leases are funded through Gloucester County Improvement Authority and were all approved by the Local Finance Board prior to July 1, 2007.

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

TOWNSHIP OF WEST DEPTFORD

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

Note 17. Capital Lease Obligations (continued):

Year Ended	Principal	Interest/ Fees	Total
General:			
2012	<u>\$21,417</u>	<u>\$1,092</u>	<u>\$22,509</u>
Total	<u>\$21,417</u>	<u>\$1,092</u>	<u>\$22,509</u>
Utility:			
2012	<u>\$583</u>	<u>\$30</u>	<u>\$613</u>
Total	<u>\$583</u>	<u>\$30</u>	<u>\$613</u>

Note 18. Tax Assessment Appeals

In November 1995, the New Jersey Supreme Court upheld a tax appeal judgment in the amount of \$4.5 million against the Township in favor of the Township’s largest taxpayer Coastal Corporation, the owner/operator of a large refinery facility in the Township, which had filed complaints in the Tax Court of New Jersey seeking annual reductions of approximately \$50,000,000 from assessments of approximately \$81,000,000 for 1985 and \$74,000,000 for 1986 and 1987. The judgment was paid with the proceeds of special funding bonds of the Township issued in 1996.

In addition, Coastal sought application of the “Freeze Act” (N.J.S.A. 54:51A-8), which would “freeze” the assessment for fiscal years 1988 and 1989 at the level determined by the Tax Court for 1987 and could result in the Township’s being liable for additional refunds. On remand from the Appellate Division of the New Jersey Supreme Court, the Tax Court ruled that the Freeze Act does not apply to tax years 1988 and 1989 and that those years should be added to the other tax years under appeal described below. Coastal appealed this decision to the Appellate Division. The Appellate Division sent the case back to the Tax Court for further proceedings. Those proceedings were concluded and the Tax Court ruled and sided with the Township by concluding that the Freeze Act does not apply for 1988 and 1989. Coastal has appealed this decision again to the Appellate Division.

The assessments for the years 1990 through 2012 are also in dispute in related proceedings. The Township’s special counsel for these proceedings, Nowell Amoroso Klein Bierman, P.A., New Jersey (“Special Counsel”), advises that there is currently pending a proposed settlement which would result in an aggregate refund to the taxpayers of approximately \$32,000,000. The settlement would resolve all outstanding litigation, including the above-referenced “Freeze Act” years of 1988 and 1989, for both the Coastal and Sunoco appeals. The parties are actively exploring the proposed settlement, including the

TOWNSHIP OF WEST DEPTFORD

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

Note 18. Tax Assessment Appeals (continued):

mechanism necessary to finance the settlement, and the results of those deliberations should become known over the next month. In the event the settlement is not consummated the trial of the Sunoco years would begin during the summer of 2012 and the Coastal years trial would follow immediately afterwards. Under New Jersey law, although the taxpayer has the right to demand payment within sixty (60) days after entry of final judgment, a variety of avenues is available to meet an unfavorable ruling in such cases, including, among others, a structured settlement (pay-out over time, or acceptance by taxpayer of credits against future tax levies) and the issuance of general obligation notes or bonds, such as the Special Funding Bonds, to fund such a judgment.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

**TOWNSHIP OF WEST DEPTFORD
 CURRENT FUND
 SCHEDULE OF CURRENT CASH - TREASURER
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	CURRENT	GRANTS
Balance December 31, 2010	\$5,037,718	229,283
Increased by Receipts:		
Taxes Receivable	\$64,374,811	
Tax Title Liens Receivable	21,325	
Prepaid Taxes	291,423	
Tax Overpayments	43,698	
Grants Receivable		34,225
Revenue Accounts Receivable	8,932,867	
Due to State of New Jersey:		
Senior Citizen & Veterans Deductions	312,219	
Refunds	127,004	
Due State of NJ - DCA Fees	18,435	
Due State of NJ - Marriage Licenses	2,900	
Petty Cash	350	
Due General Capital Fund	1,088,196	
Due Trust Fund	486,149	
Due Dog Trust Fund	2,457	
Due Water & Sewer Operating	217,547	
Due Water & Sewer Capital	258,768	
Due Grant Fund	251,693	
Due Current Fund		235,320
Total Receipts	76,429,842	269,545
Subtotal	81,467,560	498,828

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	CURRENT	GRANTS
Decreased by Disbursements:		
2011 Appropriations	26,454,390	
2010 Reserved Appropriations	365,469	
Reserve for Grants - Appropriated		91,034
Encumbrances Payable	322,575	
Tax Overpayments	183,482	
County Taxes	14,246,166	
Due County Added & Omitted Taxes	38,317	
Due State of NJ - DCA Fees	43,886	
Due State of NJ - Marriage Licenses	2,900	
Refund of Prior Year Revenue	29,387	
Local District School Tax	30,297,370	
Due General Capital	1,400,961	
Due Trust Fund	448,379	
Due Water & Sewer Operating	1,183	
Due Water & Sewer Capital	42,661	
Due Dog Trust Fund	840	
Petty Cash	350	
Due Payroll Fund	104,360	
Due Grant Fund	233,938	
Due Current Fund		111,398
	<u>74,216,614</u>	<u>202,432</u>
Total Disbursements		
	<u>74,216,614</u>	<u>202,432</u>
Balance December 31, 2011	<u>\$7,250,946</u>	<u>296,396</u>

**SCHEDULE OF CHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010	\$1,600
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**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2011**

YEAR	BALANCE	2011 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	TRANSFER TO		BALANCE DECEMBER 31, 2011
	DECEMBER 31, 2010			2010	2011			TAX TITLE LIENS	CANCELED	
2004	\$1,471				1,471					
2005	1,263				1,263					
2006	3,405				1,481					1,924
2007	12,395		23,875		18,053		11,976			6,241
2008	47,675				14,834			468	22,821	9,552
2009	73,313		27,580		44,840			1,587	28,881	25,585
2010	1,235,015		35,752		1,040,640	(3,750)		41,773	156,631	35,473
Total	1,374,537		87,207		1,122,582	(3,750)	11,976	43,828	208,333	78,775
2011		65,116,834	78,079	319,223	63,120,479	316,462	31,722	139,589	127,512	1,139,926
Total	\$1,374,537	65,116,834	165,286	319,223	64,243,061	312,712	43,698	183,417	335,845	1,218,701

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ANALYSIS OF 2011 PROPERTY TAX LEVY

TAX YIELD:

General Purpose Tax:	\$65,116,834
Added & Omitted Taxes (54:4-6 et seq)	78,079
Total	<u>\$65,194,913</u>

TAX LEVY:

District School Tax (Abstract)		\$29,730,495
County Taxes	\$14,269,766	
Due County for Added & Omitted Taxes	31,339	14,301,105
Municipal Open Space		133
Local Tax for Municipal Purposes	20,237,815	
Local Tax for Municipal Library	878,516	
Add: Additional Taxes Levied	46,849	21,163,180
Total		<u>\$65,194,913</u>

EXHIBIT A-7

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,164,527
Increased by:		
Transfers From Taxes Receivable		<u>183,417</u>
Subtotal		1,347,944
Decreased by:		
Cash Receipts	\$21,325	
Cancelled	<u>62,778</u>	<u>84,103</u>
Balance December 31, 2011		<u><u>\$1,263,841</u></u>

EXHIBIT A-8

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 and 2010	<u><u>\$764,800</u></u>
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**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED	BALANCE DECEMBER 31, 2011
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages		22,150	22,150	
Fees & Permits		79,840	79,840	
Fines & Costs Municipal Court	\$27,764	313,251	318,459	22,556
Interest & Costs on Taxes		243,211	243,211	
Interest on Investments & Deposits		49,332	49,332	
Consolidate Municipal Property Tax		275,991	275,991	
Energy Receipts Tax		1,733,250	1,733,250	
Uniform Construction Code Fees		267,191	267,191	
Uniform Fire Safety Act		122,775	122,775	
Host Community Benefit Agreement		455,164	455,164	
Donations		2,500	2,500	
FHG Restaurant Ground Lease		66,365	66,365	
Paradise Solar		16,038	16,038	
River Winds Fees		1,778,305	1,778,305	
Payment in Lieu of Taxes		89,453	89,453	
Rental of Buildings & Grounds		369,693	369,693	
Franchise Fees-Cable TV		145,895	145,895	
Due from Water and Sewer Operating		2,028,538	2,028,538	
Due from Escrow Trust		30,036	30,036	
Miscellaneous Revenue Not Anticipated:				
Gloucester County Fuel		18,538	18,538	
Resource Officer - Interlocal - School Board		126,710	126,710	
Insurance Refunds		194,133	194,133	
Sale of Property		26,969	26,969	
SC and Vets Administrative Fees		6,244	6,244	
Miscellaneous Tax Collector		8,494	8,494	
Damage to Twp Property		14,783	14,783	
Player Development Building		11,635	11,635	
Scrap Metal & Batteries		9,518	9,518	
Recycling Program		97,888	97,888	
Election Refund		31,150	31,150	
Summer Recreation Registration		41,250	41,250	
NJ DMV Revenue		65,520	65,520	
Miscellaneous		158,316	158,316	
Total	\$27,764	8,900,126	8,905,334	22,556

TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF AMOUNT DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZEN AND VETERANS DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

Balance December 31, 2010		\$18,152
Increased by:		
2011 Deductions Per Tax Duplicate	\$311,750	
2011 Deductions Allowed by Collector	4,712	
Prior Year Deductions Disallowed by Collector	(3,750)	312,712
Subtotal		330,864
Decreased by:		
Cash Receipts		312,219
Balance December 31, 2011		\$18,645

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	2010 ENCUMBRANCES PAYABLE	2010 RESERVE BALANCE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Other Expenses:					
General Administration	\$637	649	1,286	896	390
Mayor & Township Council	280	2,485	2,765	307	2,458
Township Clerk	8,246	588	10,834	10,753	81
Tax Assessment Administration	55	4,751	2,806	2,587	219
Revenue Administration		4,291	291		291
Legal Services		188,085	188,085	49,477	138,608
Engineering		51,819	11,819	11,746	73
Buildings & Grounds	3,205	16,219	19,424	3,341	16,083
Planning Board	64	44,220	4,284	299	3,985
Zoning Board of Adjustment		15,278	3,378	500	2,878
Liability Insurance			400	338	62
Group Plan for Employees	95	5	2,900	2,837	63
Aid to Volunteer Fire Company	52,785	44,859	97,644	59,994	37,650
Police	136,862	581	167,443	159,413	8,030
Streets & Roads	420	247	3,167	2,820	347
Snow Removal	460	96	1,556	1,400	156
Maintenance of Motor Vehicles	64,223	1,062	95,285	80,118	15,167
Other Public Works Functions:					
Leaf Collection	125	13	2,638	2,484	154
Solid Waste Collection	6,680	3,358	10,038	6,703	3,335
Electricity	4,822		27,822	27,259	563
Street Lighting		45,526	45,526	30,429	15,097
Board of Health	95	210	1,505	1,340	165
Recreation Services	14,318	878	17,696	16,385	1,311
Telephone	18,883	3,833	22,716	21,590	1,126
Sanitary Landfill		201,334	201,334	60,233	141,101
Municipal Court	1,562	11,645	13,207	1,643	11,564
Uniform Construction Code					
Officials	167	9,032	9,199	468	8,731
RiverWinds		194,968	194,968	102,874	92,094
Municipal Library		29,810	29,810	29,810	
Other Accounts - No Change	8,591	530,173	538,764		538,764
Total	\$322,575	1,406,015	1,728,590	688,044	1,040,546

**TOWNSHIP OF WEST DEPTFORD
CURRENT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$336,038
Increased by:		
Charges to 2011 Appropriations		<u>151,102</u>
Subtotal		487,140
Decreased by:		
Cancellations	\$13,463	
Cash Disbursements	<u>322,575</u>	<u>336,038</u>
Balance December 31, 2011		<u><u>\$151,102</u></u>

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010:			
School Tax Payable	\$842,363		
School Tax Deferred	<u>12,630,951</u>	<u>\$13,473,314</u>	
Increased by:			
Fiscal Year Levy - July 1, 2011 - June 30, 2012		<u>29,730,495</u>	
Subtotal		43,203,809	
Decreased by:			
Cash Disbursements		<u>30,297,370</u>	
Balance December 31, 2011:			
School Tax Payable	275,488		
School Tax Deferred	<u>12,630,951</u>	<u>\$12,906,439</u>	
Total			<u><u>\$12,906,439</u></u>
Local District School Tax Liability:			
Cash Payments		\$30,297,370	
School Tax Payable December 31, 2011		<u>275,488</u>	
Total		30,572,858	
School Tax Payable December 31, 2010		<u>842,363</u>	
Amount Charged to 2011 Operations		<u><u>\$29,730,495</u></u>	

**SCHEDULE OF RESERVE FOR REVALUATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010	<u><u>\$6,805</u></u>
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**TOWNSHIP OF WEST DEPTFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	REVENUE	RECEIVED	FROM GRANTS UNAPPROPRIATED	CANCELLED	BALANCE DECEMBER 31, 2011
Federal Grants:						
Cops Fast Grant	\$31,278				31,278	
West Deptford RiverWinds Bike Trail	182,518					182,518
Bullet Proof Vest Program	11,227					11,227
Community Development Block Grant	50,000	68,000				118,000
Total Federal Grants	275,023	68,000			31,278	311,745
State Grants:						
Click It Or Ticket		4,000		4,000		
Buckle Up	4,000					4,000
Drunk Driving Enforcement Fund		6,993		6,993		
Body Armor Replacement		5,234		5,234		
Over the Limit Under Arrest	5,000		4,825			175
Clean Communities	3,431	35,042	35,042			3,431
Municipal Drug Alliance	31,894	17,920	15,890			33,924
Safe & Secure Neighborhoods	60,000	60,000	30,000			90,000
Buffer Zone Protection Program		40,780	25,502			15,278
Emergency Management		5,000		5,000		
Alcohol Education & Rehabilitation Fund		2,061		2,061		
Recycling Tonnage		58,982		58,982		
NJ Transportation Trust	37,500					37,500
Individuls with Handicapped Recreation Grant	10,909		4,305			6,604
Road Repair State Aid	252,142	200,000			(175,000)	277,142
DOT - Lewis/Garret Ave			87,069		175,000	87,931
Municipal Stormwater	12,029					12,029
Total State Grants	416,905	436,012	202,633	82,270		568,014
Total	\$691,928	504,012	202,633	82,270	31,278	879,759

**TOWNSHIP OF WEST DEPTFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR FEDERAL AND
STATE GRANTS AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM 2011 BUDGET APPROPRIATION	DISBURSED	BALANCE DECEMBER 31, 2011
Federal Grants:				
West Deptford RiverWinds Bike Trail	\$447,176			447,176
Bullet Proof Vest Program	6,340			6,340
Community Development Block Grant	44,068	68,000	16,329	95,739
Total Federal Grants	497,584	68,000	16,329	549,255
State Grants:				
Body Armor Replacement Fund	9,610	5,234		14,844
Click it or Ticket	800	4,000		4,800
Buckle Up	2,000			2,000
Over the Limit, Under Arrest	1,175		1,000	175
Clean Communities	33,343	35,042	16,581	51,804
Municipal Drug Alliance	18,087	22,400	17,737	22,750
Recycling Tonnage Grant	51,682	58,982	24,750	85,914
Safe & Secure Communities	22	60,000	37,998	22,024
Municipal Court Alcohol Education	6,542	2,061	2,060	6,543
NJ Transportation Trust	175,000		109,115	65,885
Roadway Repair		200,000		200,000
Individuals with Handicapped Recreation Grant	41,349			41,349
Drunk Driving Enforcement Fund	11,245	6,993	5,485	12,753
Emergency Management		5,000		5,000
Buffer Zone Protection		40,780	40,544	236
Clean Shores	11,916			11,916
RiverWinds Generator	197,612		10,567	187,045
Municipal Stormwater	12,029			12,029
Total Matching Funds	572,412	440,492	265,837	747,067
Total	\$1,069,996	508,492	282,166	1,296,322

**TOWNSHIP OF WEST DEPTFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2011**

GRANT	BALANCE DECEMBER 31, 2010	RECEIPTS	UTILIZED AS REVENUE	BALANCE DECEMBER 31, 2011
Federal Grants:				
Click it or Ticket	\$4,000		4,000	
Emergency Management	5,000		5,000	
State Grants:				
Cops Grant		2,860		2,860
Drunk Driving Enforcement	6,993	3,300	6,993	3,300
Body Armor	5,234	3,908	5,234	3,908
Recycling Tonnage Grant	58,982	49,479	58,982	49,479
Municipal Court Alcohol Education	2,061	1,510	2,061	1,510
Total Grants	<u>\$82,270</u>	<u>61,057</u>	<u>82,270</u>	<u>61,057</u>

TRUST FUND

**TOWNSHIP OF WEST DEPTFORD
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	DOG TRUST FUND	EMPLOYEE HEALTH CLAIMS TRUST FUND	MUNICIPAL OPEN SPACE TRUST FUND	STREET OPENING TRUST FUND	REEVES CEMETERY TRUST FUND	K9 DONATION TRUST	TAX SALE	OFF-DUTY POLICE	POAA
Balance December 31, 2010	\$8,072	84,448	1,412,457	74,248	4,168		177,714	(10,800)	
Increased by Receipts:									
Dog License Fees:									
Municipal Share	2,649								
State Share	748								
Street Openings				20,000					
Donations						660			
Tax Sale Redemption							520,859		
Tax Sale Premium							219,000		
Off-Duty Police								99,751	
POAA Fees									28
Interest			6,242	235		29	9	110	5
Due from Current Fund	840		4,036	21,150		9,279	997	8,184	1,471
Total Increases	4,237		10,278	41,385		9,968	740,865	108,045	1,504
Total Increases & Balances	12,309	84,448	1,422,735	115,633	4,168	9,968	918,579	97,245	1,504
Decreased by Disbursements:									
Expenditures Under R.E.4:19-	1,053								
Due State	222								
Open Space			190,324						
Tax Sale Redemption							452,543		
Tax Sale Premium							49,500		
Off-Duty Police								81,616	
Miscellaneous					4,168	5,688			
Due Current Fund	2,457	84,448				19	17,499	6,965	4
Total Decreases	3,732	84,448	190,324		4,168	5,707	519,542	88,581	4
Balance December 31, 2011	\$8,577		1,232,411	115,633		4,261	399,037	8,664	1,500

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**TOWNSHIP OF WEST DEPTFORD
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

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	RIVERWINDS TAX DEFEASANCE	PUBLIC DEFENDER TRUST FUND	UNEMPLOYMENT TRUST FUND	AFFORDABLE HOUSING	DRAINAGE BASIN	ESCROW TRUST FUND	FORFEITED FUNDS	MAYOR'S FOOD HOLIDAY DRIVE
Balance December 31, 2010	\$123,499		73,275	41,392	78,031	492,840	20,202	14,136
Increased by Receipts:								
RiverWinds Defeasance	62,000							
Escrow Fees						422,399		
Affordable Housing				5,653				
Public Defender Fees		20,739						
Donations								4,033
Unemployment			200,203					
Forfeited Funds							46,400	
Due from Current Fund		16,290		4,942				
Interest	269	2	432	232	361	1,242	93	
Total Increases	62,269	37,031	200,635	10,827	361	423,641	46,493	4,033
Total Increases & Balances	185,768	37,031	273,910	52,219	78,392	916,481	66,695	18,169
Decreased by Disbursements:								
Escrow Refunds						396,057		
Unemployment Claims			53,498					
Law Enforcement Purchases							6,107	
Due Current Fund	337		292		910	58,234		
Miscellaneous	492	18,171						16,290
Total Decreases	829	18,171	53,790		910	454,291	6,107	16,290
Balance December 31, 2011	\$184,939	18,860	220,120	52,219	77,482	462,190	60,588	1,879

**TOWNSHIP OF WEST DEPTFORD
TRUST FUND - DOG LICENSE FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$6,039
Increased by:		
Municipal Share of Dog License Fees		2,649
Subtotal		8,688
Decreased by:		
Expenditures (R.S.4:19-15.11)	\$1,053	
Due Current	1,203	2,256
Balance December 31, 2011		\$6,432

LICENSE FEES COLLECTED

YEAR	AMOUNT
2010	\$3,510
2009	2,922
Total	\$6,432

**TOWNSHIP OF WEST DEPTFORD
TRUST FUND
SCHEDULE OF RESERVE FOR TAX SALE REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$26,192
Increased by:	
Receipts	<u>520,859</u>
Subtotal	547,051
Decreased by:	
Disbursements	<u>452,543</u>
Balance December 31, 2011	<u><u>\$94,508</u></u>

**SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$132,200
Increased by:	
Receipts	<u>219,000</u>
Subtotal	351,200
Decreased by:	
Disbursements	<u>49,500</u>
Balance December 31, 2011	<u><u>\$301,700</u></u>

TOWNSHIP OF WEST DEPTFORD
TRUST FUND - OTHER
STATEMENT OF MISCELLANEOUS TRUST RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011

	BALANCE DECEMBER 31, 2010	INCREASED BY			DECREASED BY DISBURSEMENTS	BALANCE DECEMBER 31, 2011
		RECEIPTS	INTEREST EARNINGS	OTHER		
Open Space	\$1,412,457	4,036	6,242	133	190,324	1,232,544
Street Opening	95,398	20,000	235			115,633
Reeves Cemetery	4,168				4,168	
Affordable Housing	46,334	5,653	232			52,219
Drainage Basin	77,329					77,329
RiverWinds Tax Defeasance	123,162	62,000	269		492	184,939
POAA	1,437	63				1,500
Unemployment	73,275	25,203		175,000	53,498	219,980
Escrow	434,606	422,399	1,242		396,057	462,190
Public Defender		20,739			18,169	2,570
Mayor Food & Holiday Drive	14,136	4,033			16,290	1,879
K-9 Donations	8,650	660			5,058	4,252
Off-Duty Police	19,570	69,301			81,616	7,255
Police Forfeited Funds	20,202	46,400	93		6,107	60,588
Total	\$2,330,724	680,487	8,313	175,133	771,779	2,422,878

GENERAL CAPITAL FUND

EXHIBIT C-1

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$466,678
Increased by:	
Premiums	3,955
Balance December 31, 2011	\$470,633

EXHIBIT C-2

**SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$964,152
Increased by:	
Interest Earned - Due to Current Fund	\$8,021
Due from Current Fund	312,765
Raised in Current Fund for Capital Improvement Fund	89,517
Grants Receivable - Due to Grant Fund	87,069
Bond Anticipation Note	1,088,196
Premiums Received on BANS	3,955
Subtotal	1,589,523
Decreased by:	
Due to Current Fund	6,167
Bond Anticipation Note	1,088,196
Due from Federal & State Grant Fund	116,703
Improvement Authorizations	137,953
Balance December 31, 2011	\$1,204,656

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	DUE CURRENT FUND	DUE UTILITY OPERATING FUND	DUE GRANT FUND	DUE UTILITY CAPITAL FUND
Balance December 31, 2010	\$799,409	2,292	5,931	(150,544)
Increased by:				
Interest Transferred	6,167			
Interfund Transfers	20,590			
Grant Disbursements			116,703	
	<hr/>			
Subtotal	826,166	2,292	122,634	(150,544)
	<hr/>			
Decreased by:				
Interfund Transfers	312,765			
Grant Proceeds			87,070	
Interest Earned	8,021			
	<hr/>			
Subtotal	320,786		87,070	
	<hr/>			
Balance December 31, 2011	\$505,380	2,292	35,564	(150,544)
	<hr/> <hr/>			

TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2011

	BALANCE (OVERDRAFT) DECEMBER 31, 2010	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2011
		BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO	
Fund Balance	\$466,678		3,955					470,633
Encumbrances Payable	45,069					45,069	2,800	2,800
Deferred Charges to Future Taxation - Improvement Authorizations Overexpended						2,954		(2,954)
Capital Improvement Fund			89,517				52,303	141,820
Reserve for Debt Service - BANS							13,667	13,667
Reserve for Debt Service - Bonds	15,843						461,937	477,780
Due from Water & Sewer Capital	150,544							150,544
Due Current Fund	(799,409)		320,786		6,167	20,590		(505,380)
Due Water & Sewer Utility	(2,292)							(2,292)
Due Grant Fund	(5,931)		87,069		116,702			(35,564)
Grants Receivable	(236,000)							(236,000)
Reserve for Down Payment on Improvements	15,712						20,590	36,302
BANS Issued		1,088,196			1,088,196			
ORDINANCE NUMBER		IMPROVEMENT AUTHORIZATIONS						
2005-7		Acquisition, Construction Repair & Installation of Various Capital Improvements	490,566		33,998		456,568	
2006-14		Acquisition, Construction Repair & Installation of Various Capital Improvements	179,598			179,597	5,297	5,298
2007-8		Acquisition, Construction Repair & Installation of Various Capital Improvements	95,304			95,304		
2007		Bond Ordinance - Costs of Issuance	58,687			58,687		

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2011**

	BALANCE (OVERDRAFT) DECEMBER 31, 2010	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2011
		BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO	
2008-9 Acquisition, Construction Repair & Installation of Various Capital Improvements	7,034					13,668	6,634	
2008 Bond Ordinance - Costs of Issuance	57,460					57,460		
2008-16 Purchase of Equipment for Various Departments	45,973					45,973		
2009-8 Bond Ordinance - Settlement	115,637					115,637		
2009-12 Purchase of Equipment for Various Departments	6,330					6,330		
2009-13 Acquisition, Construction Repair & Installation of Various Capital Improvements	334,438			17,952				316,486
2010-11 Purchase of Equipment for Various Departments	12,865			48,957			36,092	
2010-8 Bond Ordinance - Costs of Issuance	(89,953)							(89,953)
2011-6 Various Capital Improvements				37,048		2,800	409,317	369,469
2011-10 Acquisition of a Bus							92,000	92,000
Total	\$964,153	1,088,196	501,327	137,955	1,211,065	1,100,637	1,100,637	1,204,656

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**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$99,450,133
Decreased by:	
Payments on General Serial Bonds	<u>1,261,951</u>
Balance December 31, 2011	<u><u>\$98,188,182</u></u>

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2010	AUTHORIZED	CANCELLED	BALANCE DECEMBER 31, 2011	ANALYSIS OF BALANCE		
						EXPENDITURES	BOND ANTICIPATION NOTES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
2008-9	Acquisition, Construction Repair & Installation of Various Capital Improvements	\$940,946			940,946		940,946	
2009-7	Bond Ordinance - Costs of Issuance	335,000		335,000				
2009-8	Bond Ordinance - Costs of Issuance	205,000		205,000				
2009-13	Acquisition, Construction Repair & Installation of Various Capital Improvements	147,250			147,250		147,250	
2010-8	Bond Ordinance - Costs of Issuance	165,000			165,000	89,953		75,047
Total		\$1,793,196	-	540,000	1,253,196	89,953	1,088,196	75,047

EXHIBIT C-7

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010

\$236,000

EXHIBIT C-8

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010

\$ -

Increased by:

Improvement Authorizations Cancelled
2011 Budget Appropriation

\$52,303

89,517

141,820

Balance December 31, 2011

\$141,820

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PAID OR CHARGED	ENCUMBERED	CANCELED	BALANCE DECEMBER 31, 2011	
		DATE	AMOUNT	FUNDED	UNFUNDED					FUNDED	UNFUNDED
2005-7	Acquisition, Construction Repair & Installation of Various Capital Improvements	05/05/05	\$1,254,750	\$490,566			33,998		456,568		
2006-14	Acquisition, Construction Repair & Installation of Various Capital Improvements	05/11/06	1,278,527	179,598				(5,297)	179,598	5,297	
2007-8	Acquisition, Construction Repair & Installation of Various Capital Improvements	06/07/07	1,375,000	95,304					95,304		
2007	Bond Ordinance - Costs of Issuance	11/26/07	73,187	58,687					58,687		
2008-9	Acquisition, Construction Repair & Installation of Various Capital Improvements	12/30/08	1,134,470		7,034			(6,634)	13,668		
2008	Bond Ordinance - Costs of Issuance		57,460	57,460					57,460		
2008-16	Purchase of Equipment for Various Departments	12/30/08	83,000	45,973					45,973		
2009-7	Bond Ordinance - Costs of Issuance	05/14/09	743,223		335,000				335,000		
2009-8	Bond Ordinance - Costs of Issuance	03/12/09	8,500,000	115,638	205,000				320,638		
2009-12	Purchase of Equipment for Various Departments	08/06/09	76,700	6,330					6,330		
2009-13	Acquisition, Construction Repair & Installation of Various Capital Improvements	12/10/09	355,000	187,188	147,250		17,952			169,236	147,250
2010-8	Bond Ordinance - Costs of Issuance	08/05/10	255,000		75,047						75,047
2010-11	Purchase of Equipment for Various Departments	08/05/10	269,133	12,865			46,003	(33,138)			
2011-06	Various Capital Improvements Reappropriated		409,317			409,317	37,046	2,800		369,471	
2011-10	Acquisition of a Bus		92,000			92,000				92,000	
Total				\$1,249,609	769,331	501,317	134,999	(42,269)	1,569,226	636,004	222,297
Improvement Authorizations Reappropriated						\$501,317					
Overexpenditure of Improvement Authorization 2010-11							(2,954)				
Cash Disbursements							137,953				
Prior Year Encumbrances Cancelled								(45,069)			
Current Year Encumbrances Payable								2,800			
Total						\$501,317	134,999	(42,269)			

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED	BALANCE DECEMBER 31, 2011
			DECEMBER 31, 2011 DATE	AMOUNT					
General Obligation Refunding Bonds Series of 2003	09/01/03	\$3,507,800	09/01/12	\$118,891	4.500%	\$2,700,375			2,700,375
			09/01/13	124,060	4.500%				
			09/01/14	129,229	4.500%				
			09/01/15	135,432	4.500%				
			09/01/16	140,601	4.500%				
			09/01/17	147,838	4.500%				
			09/01/18	154,041	4.500%				
			09/01/19	161,278	4.500%				
			09/01/20	168,515	4.625%				
			09/01/21	175,752	4.750%				
			09/01/22	177,820	4.750%				
			09/01/23	177,820	4.800%				
			09/01/24	177,820	4.875%				
			09/01/25	177,820	4.875%				
			09/01/26	177,820	4.875%				
			09/01/27	177,819	4.875%				
			09/01/28	177,819	4.875%				
General Obligation Bonds Series 2003	09/01/03	5,238,077	09/01/12	177,536	4.500%	4,032,378			4,032,378
			09/01/13	185,255	4.500%				
			09/01/14	192,974	4.500%				
			09/01/15	202,236	4.500%				
			09/01/16	209,955	4.500%				
			09/01/17	220,762	4.500%				
			09/01/18	230,025	4.500%				
			09/01/19	240,831	4.500%				
			09/01/20	251,638	4.625%				
			09/01/21	262,444	4.750%				
			09/01/22	265,532	4.750%				
			09/01/23	265,532	4.800%				
			09/01/24	265,532	4.875%				
			09/01/25	265,532	4.875%				
			09/01/26	265,532	4.875%				
			09/01/27	265,531	4.875%				
			09/01/28	265,531	4.875%				

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED	BALANCE DECEMBER 31, 2011
			DECEMBER 31, 2011 DATE	AMOUNT					
General Obligation Bonds Series 2004	03/01/04	61,880,686	09/01/12	1,251,474	4.500%	57,503,916			57,503,916
			09/01/13	1,128,164	3.000%				
			09/01/14	1,255,614	4.500%				
			09/01/15	1,524,674	3.250%				
			09/01/16	1,595,479	5.000%				
			09/01/17	1,680,446	5.000%				
			09/01/18	1,760,692	4.750%				
			09/01/19	3,025,746	4.750%				
			09/01/20	3,167,357	4.500%				
			09/01/21	3,318,408	4.500%				
			09/01/22	3,478,900	4.500%				
			09/01/23	3,639,392	4.500%				
			09/01/24	3,814,045	4.500%				
			09/01/25	3,993,418	4.375%				
			09/01/26	4,177,512	4.375%				
			09/01/27	4,366,326	4.375%				
			09/01/28	4,564,581	4.375%				
09/01/29	4,772,276	4.375%							
09/01/30	4,989,412	4.375%							
General Obligation Bonds Series 2005	12/08/05	4,969,426	3/01/12	802,016	5.000%	3,675,487		716,831	2,958,656
			3/01/13	995,184	5.000%				
			3/01/14	1,161,456	5.000%				

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED	BALANCE DECEMBER 31, 2011
			DECEMBER 31, 2011 DATE	AMOUNT					
General Obligation Refunding Series 2007	11/26/07	5,083,733	11/01/12	269,876	4.125%	4,232,937			4,232,937
			11/01/13	338,489	4.125%				
			11/01/14	388,804	4.125%				
			11/01/15	397,953	4.125%				
			11/01/16	397,953	4.125%				
			11/01/17	402,527	4.125%				
			11/01/18	402,527	4.125%				
			11/01/19	407,101	4.125%				
			11/01/20	407,101	4.250%				
			11/01/21	411,675	4.250%				
			11/01/22	408,931	4.250%				
General Obligation Bonds Series 2008	09/01/08	5,918,380	09/01/12	250,120	3.820%	5,435,040		250,120	5,184,920
			09/01/13	287,300	3.820%				
			09/01/14/	226,460	3.820%				
			09/01/15	1,037,660	3.820%				
			09/01/16	1,081,600	3.820%				
			09/01/17	1,125,540	3.820%				
			09/01/18	1,176,240	3.820%				
Golf Course	10/01/01	9,945,000	10/01/12	315,000	3.250%	8,070,000		295,000	7,775,000
			10/01/13	330,000	3.250%				
			10/01/14	350,000	3.250%				
			10/01/15	370,000	3.250%				
			10/01/16	390,000	3.250%				
			10/01/17	410,000	3.250%				
			10/01/18	435,000	3.250%				
			10/01/19	455,000	3.250%				
			10/01/20	485,000	3.250%				
			10/01/21	510,000	3.250%				
			10/01/22	540,000	3.250%				
			10/01/23	570,000	3.250%				
			10/01/24	600,000	3.250%				
			10/01/25	635,000	3.250%				
			10/01/26	670,000	3.250%				
10/01/27	710,000	3.250%							

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED	BALANCE DECEMBER 31, 2011
			DECEMBER 31, 2011 DATE	AMOUNT					
Refunding Bonds Series B of 2009	09/16/09	1,995,000	09/01/12	205,000	5.730%	1,995,000			1,995,000
			09/01/13	215,000	5.730%				
			09/01/14/	225,000	5.730%				
			09/01/15	240,000	5.730%				
			09/01/16	255,000	5.730%				
			09/01/17	270,000	5.730%				
			09/01/18	285,000	5.730%				
			09/01/19	300,000	5.730%				
Refunding Bonds Series C of 2009	09/16/09	3,420,000	09/01/12	315,000	8.310%	3,420,000			3,420,000
			09/01/13	345,000	8.310%				
			09/01/14/	375,000	8.310%				
			09/01/15	405,000	8.310%				
			09/01/16	435,000	8.310%				
			09/01/17	475,000	8.310%				
			09/01/18	515,000	8.310%				
			09/01/19	555,000	8.310%				
Refunding Bonds Series 2010	09/15/10	8,385,000	09/01/12	960,000	2.000%	8,385,000			8,385,000
			09/01/13	975,000	3.000%				
			09/01/14/	1,010,000	3.000%				
			09/01/15	1,040,000	2.000%				
			09/01/16	1,055,000	2.125%				
			09/01/17	1,080,000	2.847%				
			09/01/18	1,110,000	4.000%				
			09/01/19	1,155,000	3.000%				
Total									
						\$99,450,133	-	1,261,951	98,188,182

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31,			BALANCE DECEMBER 31,	
		2010	AUTHORIZED	ISSUED	CANCELLED	2011
2009-7	Refunding Bond Issuance Costs	\$335,000			335,000	
2009-8	Tax Appeal Settlement	205,000			205,000	
2010-8	Refunding Bond Issuance Costs	165,000				165,000
	Total	<u>\$705,000</u>	<u>-</u>	<u>-</u>	<u>540,000</u>	<u>165,000</u>

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$45,069
Increased by:	
Charges to Improvement Authorizations	<u>2,800</u>
Subtotal	47,869
Decreased by:	
Cancelled	<u>45,069</u>
Balance December 31, 2011	<u><u>\$2,800</u></u>

**TOWNSHIP OF WEST DEPTFORD
GENERAL CAPITAL FUND
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	LEASE NUMBER	TERM OF LEASE	AMOUNT OF ORIGINAL LEASE		INTEREST RATE	BALANCE	DECREASED	BALANCE
			PRINCIPAL	INTEREST		DECEMBER 31, 2010		DECEMBER 31, 2011
Various Capital Improvements	Series 1996A	15 Years	\$499,061	\$142,246	Various	\$4,650	4,650	
Various Capital Improvements	Series 1996B	15 Years	2,737,215	796,544	Various	19,892	19,892	
Various Capital Improvements	Series 1997	15 Years	1,120,500	353,501	Various	43,807	22,390	21,417
					Total	<u>\$68,349</u>	<u>46,932</u>	<u>21,417</u>
					Paid Down Current Fund Budget		\$22,390	
					Funds on Hand with Trustee		<u>24,542</u>	
					Total		<u>\$46,932</u>	

TOWNSHIP OF WEST DEPTFORD
 GENERAL CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2011

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	ISSUE DATE	DATE OF MATURITY	INTEREST RATE	ISSUED	BALANCE DECEMBER 31, 2011
2008-9	Acquisition, Construction, Repair & Installation of Various Capital Improvements	04/28/2010	04/26/2011	04/25/2012	2.25%	\$940,946	\$940,946
2009-13	Acquisition, Construction, Repair & Installation of Various Capital Improvements	04/28/2010	04/26/2011	04/25/2012	2.25%	147,250	<u>147,250</u>
Total							<u><u>\$1,088,196</u></u>

WATER-SEWER UTILITY FUND



**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance December 31, 2010	\$3,669,717	49,049
Increased by Receipts:		
Consumer Accounts Receivable	\$11,196,787	
Miscellaneous Anticipated Revenue	140,560	
Interest Earned		329
Ban Proceeds		617,074
Utility Rent Overpayments	19,307	
Due Current Fund		42,662
Due Utility Capital	379,926	
Subtotal	<u>11,736,580</u>	<u>660,065</u>
Total	<u>15,406,297</u>	<u>709,114</u>
Decreased by Disbursements:		
2011 Budget Appropriations	11,437,117	
Appropriation Reserves	128,440	
Due Utility Operating Fund		380,596
Due Current Fund	2,192,257	258,768
Total Disbursements	<u>13,757,814</u>	<u>639,364</u>
Balance December 31, 2011	<u>\$1,648,483</u>	<u>69,750</u>

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE (OVERDRAFT) DECEMBER 31, 2010	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2011	
		LOAN/BAN	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO		
Fund Balance	\$3,173						34,353	37,526	
Capital Improvement Fund	42,723							42,723	
Due to General Capital Fund	(150,544)							(150,544)	
Down Payment on Improvements	96,250							96,250	
Due Current Fund	258,768		42,662		258,768			42,662	
Due Water & Sewer Utility Fund	379,926		329		380,596			(341)	
Reserve for Accrued Interest	1,474							1,474	
ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS								
1993-14	Water Main Replacement	(18,060)					18,060		
2006-18	Various Improvements to and for the Township Water/Sewer Utility & General Improvements	(599,014)	617,074			18,060			
2007	Bond Ordinance - Costs of Issuance	6,813				6,813			
2008	Bond Ordinance - Costs of Issuance	27,540				27,540			
Total		\$49,049	617,074	42,991	-	639,364	52,413	52,413	69,750

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EXHIBIT D-7

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,833,536
Increased by:		
Utility Rents Levied	\$11,100,188	
Overpayments Created	19,307	11,119,495
Subtotal		12,953,031
Decreased by:		
Collections	11,216,094	
Overpayments Applied	19,019	
Cancelled	44,134	11,279,247
Balance December 31, 2011		\$1,673,784

EXHIBIT D-8

**SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ADDITIONS	BALANCE DECEMBER 31, 2011
Wells	\$17,356		17,356
Pumping & Storage Facilities	194,841		194,841
Land for Administration Building	9,414		9,414
Distribution Mains & Accessories	11,423,068		11,423,068
Purchased of Colonial Manor Water Company & Attendant Improvements	171,691		171,691
Construction of New Wells	839,809		839,809
Purchase of Greenfield Water Company & Attendant Improvements	786,159		786,159
Improvements to Water Supply & Distribution System	37,350,453		37,350,453
Improvements Along Riverfront	1,997,720		1,997,720
Meters & Fittings	851,671		851,671
Sewer System	3,910,248		3,910,248
Office Machinery & Equipment	214,128		214,128
Miscellaneous	496,569		496,569
	\$58,263,127	-	58,263,127

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DECEMBER 31, 2010	COMPLETED	CANCELLED	BALANCE DECEMBER 31, 2011
18-01	Purchase of DPW Heavy Vehicles	06/05/03	\$8,400,000	\$135,934		135,934	
11-05	Repairs to Sewer Plant	11/26/07	6,813	6,813		6,813	
3-06	Construction of Well #9	09/02/08	27,540	27,540		27,540	
	Total			\$170,287	-	170,287	-

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	PAID OR CHARGED	BALANCE LAPSED
Operations:			
Salaries & Wages			
Other Expenses	\$6,503	3,440	3,063
Capital Improvements:			
Capital Outlay	125,021	125,000	21
Statutory Expenditures:			
Social Security System	5,344		5,344
	<hr/>		
Total	\$136,868	128,440	8,428
	<hr/> <hr/>		
Appropriation Reserves	\$6,296		
Encumbrances Payable	130,572		
Cash Disbursed		128,440	
	<hr/>		
Total	\$136,868	128,440	-
	<hr/> <hr/>		

**SCHEDULE OF WATER & SEWER UTILITY OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$19,019
Increased by:	
Utility Overpayments in 2011	<u>19,307</u>
Subtotal	38,326
Decreased by:	
Overpayments applied to Consumer Accounts Receivable	<u>19,019</u>
Balance December 31, 2011	<u><u>\$19,307</u></u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010	<u><u>\$42,723</u></u>
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**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$422,106
Increased by:	
Budget Appropriation for:	
Interest on Bonds	\$236,362
Interest on Notes	5,183
Interest on Loans	<u>103,740</u>
	345,285
Subtotal	767,391
Decreased By:	
Interest Paid	<u>422,106</u>
Balance December 31, 2011	<u><u>\$345,285</u></u>

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2011

SERIES	PRINCIPAL OUTSTANDING 12/31/2011	INTERST RATE	FROM	TO	PERIOD	AMOUNT
2003	\$6,327,247	4.500%	09/01/2011	12/31/2011	4 Months	98,784
2004	3,551,084	3.000%	09/01/2011	12/31/2011	4 Months	51,679
2005	3,091,343	5.000%	09/01/2011	12/31/2011	4 Months	51,523
2007	394,064	4.125%	11/01/2011	12/31/2011	2 Months	2,733
2008	<u>2,485,080</u>	3.820%	09/01/2011	12/31/2011	4 Months	<u>31,643</u>
	<u>15,848,818</u>					<u>236,362</u>
2004A Clean Water	3,054,266	5.000%	08/01/2011	12/31/2011	5 Months	32,089
2004A Drinking Water	1,003,051	5.000%	08/01/2011	12/31/2011	5 Months	10,305
2007A Clean Water	5,200,883	5.000%	08/01/2011	12/31/2011	5 Months	50,165
2007A Drinking Water	694,758	5.000%	08/01/2011	12/31/2011	5 Months	6,757
NJWW 1993	<u>333,793</u>	5.000%	08/01/2011	12/31/2011	5 Months	<u>4,424</u>
	<u>10,286,751</u>					<u>103,740</u>
Notes	<u>617,074</u>	1.600%	06/21/2011	12/31/2011	6 Months	<u>5,183</u>
Total						<u><u>345,285</u></u>

**TOWNSHIP OF WEST DEPTFORD
 WATER-SEWER UTILITY OPERATING FUND
 SCHEDULE OF RESERVE FOR AMORTIZATION
 FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$29,160,566
Increased by:		
Serial Bonds Paid by Operating Budget	\$1,471,717	
Gloucester County Improvement Authority:		
Leases Paid by Operating Budget/ Paid by Trustee	144,068	
NJ Wastewater Loans Paid by Operating Budget	778,702	2,394,487
		<hr/>
Subtotal		31,555,053
Decreased by:		
Adjustment to Wastewater Loans Payable	10,800	
Cancelled Improvement Authorizations Funded	34,353	45,153
		<hr/>
Balance December 31, 2011		<u>\$31,509,900</u>

**TOWNSHIP OF WEST DEPTFORD
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE		RECLASSIFY		BALANCE	
		DATE	AMOUNT	DECEMBER 31, 2010 FUNDED	UNFUNDED	TO GENERAL CAPITAL	CANCELED	DECEMBER 31, 2011 FUNDED	UNFUNDED
2600-17	Various Improvements to & for the Township Water\Sewer Utility & General Improvements	07/13/2006	\$821,631	\$135,934			135,934		
2,007	Bond Ordinance - Costs of Issuance	11/26/2007	6,813	6,813			6,813		
2,008	Bond Ordinance - Costs of Issuance	09/01/2008	27,540	27,540			27,540		
			Total	\$170,287			170,287		

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
2003 Water & Sewer Bonds	09/01/2003	\$8,219,123	09/01/12	\$278,573	4.500%	\$6,596,131	268,884	6,327,247
			09/01/13	290,685	4.500%			
			09/01/14	302,797	4.500%			
			09/01/15	317,331	4.500%			
			09/01/16	329,443	4.500%			
			09/01/17	346,400	4.500%			
			09/01/18	360,934	4.500%			
			09/01/19	377,891	4.500%			
			09/01/20	394,847	4.625%			
			09/01/21	411,804	4.750%			
			09/01/22	416,649	4.750%			
			09/01/23	416,649	4.800%			
			09/01/24	416,649	4.875%			
			09/01/25	416,649	4.875%			
			09/01/26	416,649	4.875%			
			09/01/27	416,649	4.875%			
			09/01/28	416,648	4.875%			
			2004 Water & Sewer Bonds	03/01/2004	4,734,314			
09/01/13	66,836	4.500%						
09/01/14/	74,386	3.250%						
09/01/15	90,326	5.000%						
09/01/16	94,521	5.000%						
09/01/17	99,554	4.750%						
09/01/18	104,308	4.750%						
09/01/19	179,254	4.500%						
09/01/20	187,643	4.500%						
09/01/21	196,592	4.500%						
09/01/22	206,100	4.500%						
09/01/23	215,608	4.500%						
09/01/24	225,955	4.500%						
09/01/25	236,582	4.375%						
09/01/26	247,488	4.375%						
09/01/27	258,674	4.375%						
09/01/28	270,419	4.375%						
09/01/29	282,724	4.375%						
09/01/30	295,588	4.375%						

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
2005 Water & Sewer Bonds	12/08/2005	5,800,574	3/01/12	837,984	5.000%	3,939,512	848,169	3,091,343
			3/01/13	1,039,816	5.000%			
			3/01/14	1,213,543	5.000%			
2007 Water & Sewer Bonds	11/26/2007	473,267	11/01/12	25,124	4.125%	415,355	21,291	394,064
			11/01/13	31,511	4.125%			
			11/01/14	36,196	4.125%			
			11/01/15	37,047	4.125%			
			11/01/16	37,047	4.125%			
			11/01/17	37,473	4.125%			
			11/01/18	37,473	4.125%			
			11/01/19	37,899	4.125%			
			11/01/20	37,899	4.250%			
			11/01/21	38,325	4.250%			
			11/01/22	38,070	4.250%			
2008 Refunding Bonds	09/01/2008	2,836,620	09/01/12	119,880	3.820%	2,604,960	119,880	2,485,080
			09/01/13	137,700	3.820%			
			09/01/14/	108,540	3.820%			
			09/01/15	497,340	3.820%			
			09/01/16	518,400	3.820%			
			09/01/17	539,460	3.820%			
			09/01/18	563,760	3.820%			
Total								
					\$17,320,535	1,471,717	15,848,818	

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	BANS ISSUED	CANCELLED	BALANCE DECEMBER 31, 2011
1995-19	Water Main Replacement	\$18,060		18,060	
2006-18	Improvements to Sanitary Sewer Utility	734,949	617,074	117,875	
	Total	<u>\$753,009</u>	<u>617,074</u>	<u>135,935</u>	<u>-</u>

**TOWNSHIP OF WEST DEPTFORD
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
 FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	LEASE NUMBER	TERM OF LEASE	AMOUNT OF ORIGINAL LEASE		INTEREST RATE	BALANCE DECEMBER 31, 2010		DECREASED	BALANCE DECEMBER 31, 2011
			PRINCIPAL	INTEREST					
Various Capital Improvements	Series 1996	15 Years	\$1,585,724	\$714,019	Various	\$143,458	143,458		
Various Capital Improvements	Series 1997	15 Years	30,500	9,623	Various	1,193	610	583	
Total						<u>\$144,651</u>	<u>144,068</u>	<u>583</u>	
									\$610
									<u>143,458</u>
Total									<u>\$144,068</u>

**TOWNSHIP OF WEST DEPTFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY WASTEWATER LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$11,054,653
Increased by:	
Adjustments	<u>10,800</u>
Subtotal	11,065,453
Decreased by:	
Payments	<u>778,702</u>
Balance December 31, 2011	<u><u>\$10,286,751</u></u>

**TOWNSHIP OF WEST DEPTFORD
 WATER - SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	ISSUE DATE	DATE OF MATURITY	INTEREST RATE	ISSUED	BALANCE DECEMBER 31 2011
2006-18	Various Improvements Sewer Utility	06/22/2011	06/21/11	04/25/2012	1.60%	\$617,074	<u>\$617,074</u>
						Total	<u><u>\$617,074</u></u>

SUPPLEMENTARY DATA

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 3.78%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$2,415,000	2,415,000	
Water-Sewer Utility Debt	26,753,226	26,753,226	
General Debt	99,441,378	518,667	98,922,711
	<hr/>		
Total	\$128,609,604	29,686,893	98,922,711
	<hr/> <hr/>		

Net Debt, \$98,922,711 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$2,614,829,345 equals 3.78%.

Equalized Valuation Basis:

2011	\$2,670,603,875
2010	2,605,458,234
2009	2,568,425,926
	<hr/>
Average	\$2,614,829,345
	<hr/> <hr/>

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$91,519,027
Net Debt	98,922,711
	<hr/>
Remaining Borrowing Power	(\$7,403,684)
	<hr/> <hr/>

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

Fund Balance Utilized	\$610,445	
Cash Receipts From Fees, Rents & Other Charges	11,966,811	\$12,577,256
	<hr/>	
Deductions:		
Operating & Maintenance Costs	8,221,038	
Debt Service	3,190,220	11,411,258
	<hr/>	
Excess Revenue - Self Liquidating		\$1,165,998
	<hr/> <hr/>	

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

CURRENT FUND	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized			1,290,000	1.70%
Miscellaneous - From Other Than				
Local Property Tax Levies	8,598,198	11.36%	7,437,490	9.79%
Collection of Delinquent Taxes &				
Tax Title Liens	1,152,133	1.52%	894,585	1.18%
Collection of Current Tax Levy	63,787,886	84.29%	62,486,517	82.25%
Non-Budget Revenue	811,148	1.07%	610,832	0.80%
Other Credits to Income:				
Unexpended Balance of				
Appropriation Reserves	1,040,546	1.37%	666,219	0.88%
Encumbrances Payable - Canceled	13,463	0.02%	58,233	0.08%
Interfund Loans Returned	255,881	0.34%	2,031,506	2.67%
Cancellation of Grants			497,520	0.65%
Other Credits to Income	20,742	0.03%		
Total Income	75,679,997	100.00%	75,972,902	100.00%
Expenditures				
Budget Expenditures -				
Municipal Purposes	28,674,319	39.39%	28,771,098	38.28%
County Taxes	14,269,766	19.60%	14,251,833	18.96%
Local School Taxes	29,730,495	40.84%	29,179,520	38.83%
Municipal Open Space	31,472	0.04%		
Other Debits to Income:				
Interfunds Created	90,457	0.12%	2,317,875	3.08%
Cancellation of Grants			624,498	0.83%
Other Debits to Income			9,186	0.01%
Total Expenditures	72,796,509	100.00%	75,154,010	100.00%
Excess to Fund Balance	2,883,488		818,892	
Fund Balance January 1	868,987		1,340,095	
Total	3,752,475		2,158,987	
Less: Fund Balance Utilized as Revenue			1,290,000	
Fund Balance December 31	\$3,752,475		\$868,987	

**Comparative Statement of Operations and
Change in Fund Balance - Water & Sewer Utility**

WATER & SEWER UTILITY OPERATING FUND	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized	\$610,445	5.10%		
Collection of Water Rents	11,215,806	93.66%	11,146,350	91.27%
Miscellaneous:				
Other Than Water Rents	140,560	1.17%	795,005	6.51%
Other Credits to Income:				
Unexpended Balance of				
Appropriation Reserves	8,428	0.07%	53,861	0.44%
Encumbrances Payable Canceled			217,906	1.78%
Total Income	11,975,239	100.00%	12,213,122	100.00%
Expenditures				
Budget Expenditures:				
Operating	8,221,661	71.22%	7,307,243	65.22%
Capital Improvement Fund	41,000	0.36%	131,980	1.18%
Debt Service	3,190,220	27.64%	3,387,471	30.23%
Deficit in Operations of Prior Year			276,845	2.47%
Deferred Charges & Statutory				
Expenditures	90,058	0.78%	101,213	0.90%
Interfunds Created	341	0.00%		
Total Expenditures	11,543,280	100.00%	11,204,752	100.00%
Excess to Fund Balance	431,959		1,008,370	
Fund Balance January 1	1,477,233		468,863	
Total	1,909,192		1,477,233	
Less: Fund Balance Utilized as Revenue	610,445			
Fund Balance December 31	\$1,298,747		1,477,233	

**Comparison of Tax Levies
and Collection Currently**

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

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2011	\$65,194,913	63,787,886	97.84%
2010	64,094,159	62,486,517	97.49%
2009	60,519,515	59,198,299	97.82%

Comparison of Tax Rate Information

	2011* (1)	2010 (1)	2009 (1)
Total Tax Rate	<u>\$2.396</u>	<u>\$4.397</u>	<u>\$4.133</u>
Apportionment of Tax Rate:			
Municipal	0.776	1.487	1.317
County	0.526	0.906	0.936
Local School	1.094	2.004	1.880

(1) Does Not Include Fire District Tax

* Revaluation

Net Valuation Taxable:

2011	<u>\$2,718,739,721</u>		
2010		<u>\$1,455,538,809</u>	
2009			<u>\$1,461,877,527</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2011	\$1,263,841	1,218,701	2,482,542	3.81%
2010	1,164,527	1,374,537	2,539,064	3.96%
2009	1,050,822	2,565,626	3,616,448	5.98%

**Schedule of Annual Debt Service for Principal and Interest
For the Next Five Years For Bonded Debt Issued and Outstanding**

YEAR	GENERAL CAPITAL	WATER AND SEWER UTILITY
2012	8,909,173	3,213,551
2013	8,983,852	3,229,839
2014	9,150,433	3,157,399
2015	8,994,089	2,308,989
2016	8,974,008	2,299,782

Comparative Schedule of Fund Balance

CURRENT FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2011	\$3,752,475	2,102,337
2010	868,986	-
2009	1,340,096	1,290,000
2008	14,565	-
2007	-	-

WATER-SEWER OPERATING FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2011	\$1,298,747	539,234
2010	1,477,233	610,444
2009	468,863	-
2008	572,904	104,040
2007	258,120	-

Property Acquired by Tax Title Lien Liquidation

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

YEAR	AMOUNT
2011	\$764,800
2010	764,800
2009	1,159,500

Comparison of Water Utility Levies

YEAR	LEVY
2011	\$11,100,188
2010	11,536,833
2009	N/A

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	POSITION	BOND
Anna Docimo	Mayor	
Len E. Daws	Deputy Mayor	
Hugh Garrison	Committeeman	
Donna Szymborski	Committeewoman	
Sean Kilpatrick	Committeeman	
Richard M. Giuliani	Treasurer	\$500,000
Christine Greenwood	Assistant CFO/Treasurer	\$500,000
Amy Leso	Acting Township Clerk	
George Damminger	Tax Collector	\$500,000
Guy Killen	Judge of the Municipal Court	\$ 52,000
Barbara Lilley	Municipal Court Administrator	\$ 52,000
Eleanor A. Oxley	Deputy Court Administrator	\$ 52,000
Kathy Biddick	Deputy Court Administrator	\$ 52,000
Kristen Barry	Deputy Court Administrator	\$ 52,000
Brenda Fama	Deputy Court Administrator	\$ 52,000
Michael Angelini	Solicitor	
Ed Phelps	Director of Public Works	\$ 1,000

**TOWNSHIP OF WEST DEPTFORD
COUNTY OF GLOUCESTER**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**



Certified Public Accountants & Consultants

The Honorable Mayor and Members of the
Township Committee
Township of West Deptford
Thorofare, New Jersey 08086

We have audited the financial statements – statutory basis of the Township of West Deptford in the County of Gloucester for the year ended December 31, 2011.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Committee and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Township records.

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$17,500 except by contract or agreement.

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

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

Rear Loading Refuse Packing Truck, Concession Building Floor Repairs, Reconstruction of Lewis Terrace and Garrett Ave., Reconstruction of Pennsylvania, NJ and Laurel Avenues, Single Axle Refuse Truck, redevelopment of Well #4, Tatum St. Project.

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

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

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Township Committee.

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

The compliance review of expenditures did reveal individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*. See below for comment.

Finding 2011-01:

It was noted during our audit that the proper bidding procedures were not followed for a contract awarded for the cleaning of Township sewer lines.

Recommendation:

That proper bidding procedures be followed for the performance of any work or furnishing or hiring of any materials or supplies over the bid threshold per *N.J.S.A.40A:11-4*.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, as amended, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 6, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

Collection of Interest on Delinquent Taxes and Assessments (continued):

WHEREAS, R.S. 54:4-67, permits the governing body of each municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes or assessments as provided by law;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of West Deptford, Gloucester County, State of New Jersey that property taxes shall be due and payable quarterly on February 1st, May 1st, August 1st and November 1st of each year with a ten-day grace period, after which dates, if unpaid shall become delinquent, with interest charged as set forth below and reverting back to the due date on any quarterly installment of taxes.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of West Deptford, Gloucester County, State of New Jersey, hereby fix the rate of interest at 8% per annum on the first \$1,500 of delinquency, and 18% per annum on any amount in excess of \$1,500.

BE IT FURTHER RESOLVED that a 6% year-end penalty be assessed on the last day of the fiscal year on delinquent accounts when in excess of \$10,000.00.

Delinquent Taxes and Tax Title Liens

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

The last tax sale was held on November 30, 2011 and was not complete.

Inspection of 2011 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

YEAR	NUMBER OF LIENS
2011	115
2010	86
2009	86

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

The following was noted:

Finding 2011-02:

It was noted during our audit that there are informal payment plans for property owners who are delinquent on both tax and utility payments. Tax payment plans appear to be approved by the governing body but are out of date. Utility payment plans do not appear to be approved by the governing body but only by the water and sewer superintendent.

Delinquent Taxes and Tax Title Liens (continued):

Recommendation:

That all payment plans for both tax and utility delinquencies be approved by the governing body by resolution and that all current plans for both tax and utilities be reviewed, updated and approved by the governing body.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services. A separate report will be rendered if any irregularities develop after the date of the audit.

Deductions from Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

The following was noted:

***Finding 2011-03:**

It was noted during our audit that there are large credit balances on the Township's tax system from 1986 and 2006.

Recommendation:

That the Township needs to review the large credit balances from 1986 and 2006 in their tax system and adjust them accordingly.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-04:

It was noted during our audit that some tax sale premiums collected were not properly posted to the tax system.

Recommendation:

That all tax sale premiums collected be properly recorded in the tax software system for accurate reporting.

Deductions From Taxes (continued):

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate. The following deficiencies were noted.

Finding 2011-05:

Auditors were not provided with a purchase order and supporting documentation for the Township purchase of a magazine subscription.

Recommendation:

That all Township disbursements be made by an approved voucher package and be maintained for inspection.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-06:

It was noted during our audit that professional fees paid by the Township to their redevelopment counsel for professional services were at a rate higher than the contract amount.

Recommendation:

That the Township ensures that all payments made to professionals are in accordance with the contracts in place.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-07:

It was noted during our audit that Township legal bill charges are being split between the current fund and utility operating fund at 65 percent and 35 percent, respectively, without regard to the nature of legal services provided.

Recommendation:

That the Township charge legal bills to the appropriate budget based upon that actual legal services performed and not a flat percentage allocation.

Deductions From Taxes (continued):

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of the Township employees. The following exceptions were noted:

Finding 2011-08:

It was noted during our audit that two employees who were out on medical disability did not properly contribute the required one and a half percent of their salary towards their medical benefit costs.

Recommendation:

That employees out on medical disability properly contribute the required one and a half percent of their medical benefits cost in accordance with regulations set forth by the NJ Department of the Treasury, Division of Pensions and Benefits.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-09:

It was noted during our audit that one Township employee who opted out of medical coverage in April of 2010 was still receiving prescription coverage as of the date of this audit. In addition, there was another employee noted that should not be receiving health benefit coverage due to being part-time and was still being covered by the Township. It was also noted that a married couple on the retiree health bill were each receiving coverage as "employee-plus-spouse", effectively doubling up coverage and the cost to the Township.

Recommendation:

That the Township medical benefits invoices be reviewed each period to ensure only those entitled to medical coverage are included and being paid for by the Township.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-10:

It was noted during our audit that employee salaries were underreported to the Public Employees' Retirement System due to retroactive salary information not being forwarded to the Division of Pension and Benefits properly.

Payroll Fund (continued):

Recommendation:

That the Township reports the proper retroactive salary information to the NJ Division of Pension and Benefits.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-11:

It was noted during our audit that compensated absences for Township employees are not being calculated properly as sick time purchased back from employees is remaining in the total compensated absences liability.

Recommendation:

That the Township reviews their compensated absences calculation and corrects it accordingly.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-12:

It was noted during our audit that two full time employee salaries are being charged to the open space budget. Auditors were not provided with any supporting documentation which substantiates that these two employees time is completely dedicated to the maintenance of open space.

Recommendation:

That the Township prepare an analysis which substantiates the charges of two full time employee salaries to the open space budget and that the Township approve this analysis by resolution.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-13:

It was noted during our audit that a committee member's salary was charged to the Water-Sewer Utility budget.

Recommendation:

That all members of the Township Committee be charged to the Mayor & Council line item in the Current Fund budget.

Payroll Fund (continued):

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Municipal Court

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

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

A test sample was selected of five (5) traffic and criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

Construction Code Office

- (1) **Indirect Costs** – Indirect costs are not allocated to the Construction Code Budget Appropriation.
- (2) **Annual Report** – An annual report of revenue, expenditures and a recommendation for any fee increase or decrease is reviewed by the governing body.
- (3) **Construction Code Costs** – A test was conducted to determine that all revenues collected for construction code fees are applied to pay for municipal costs of enforcing the Uniform Construction Code [*N.J.A.C.5:23.17(c)2*]. No exceptions were discovered as a result of the test that would indicate that construction code revenues were not being applied to pay for costs related to enforcement of the Uniform Construction Code.
- (4) **Construction Code Permits** – A test of the fees charged for construction code permits disclosed no exceptions regarding charges being levied in accordance with the Township Ordinances in effect.

Chief Financial Officer/Treasurer

The following exceptions were found in the records maintained by the Director of Finance/Treasurer:

***Finding 2011-14:**

It was noted during our audit that a general ledger is not being maintained for any fund of the Township in accordance with *N.J.A.C.5:30-5.7*.

Chief Financial Officer/Treasurer (continued):

Recommendation:

That the Director of Finance maintains a complete general ledger of all financial transactions for all funds of the Township that is to be the official permanent financial record of the Municipality in accordance with the Administrative Code.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-15:

It was noted during our audit that an accurate fixed assets ledger is not being maintained.

Recommendation:

That the Township properly updates and maintains their fixed assets ledger either in-house or through use of an outside appraisal company.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-16:

The Township overspent capital improvement authorization 2010-11.

Recommendation:

That capital ordinances be properly accounted for in order to avoid over-expenditures and thus create the need for the Township to raise a deferred charge in the succeeding year's budget.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-17:

It was discovered during our audit that grant related road project expenditures were paid out of the General Capital Fund.

Recommendation:

That all grant related expenditures be spent from grant funds maintained within the Federal & State Grant Fund.

Chief Financial Officer/Treasurer (continued):

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-18:

It was noted during our audit that no attempt was made to analyze payroll taxes for the 2011 year.

Recommendation:

That a formal analysis of payroll taxes be completed monthly in order to ensure proper reporting and payment of all payroll liabilities.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-19:

It was discovered during our audit that Township cash on hand with a fiscal agent from lease proceeds was never recorded in the Township records.

Recommendation:

That all assets and liabilities of the Township be properly reflected within the Township's accounting records.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-20:

It was noted that an appropriation line did not exist for interest on bond anticipation notes in the utility operating fund, thus an over-expenditure was created due to the current year charge for the accrual for interest on bond anticipation notes.

Recommendation:

That charges be made only to budgeted appropriation lines.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Chief Financial Officer/Treasurer (continued):

Finding 2011-21:

It was noted that purchase orders of the Township are being approved by the Director of Finance as “CFO”; however, the current Director of Finance is not a Certified Municipal Finance Officer.

Recommendation:

That all purchase orders be signed by a Certified Municipal Finance Officer or changed to read “Director of Finance.”

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-22:

It was noted that current Township policy only requires one stamped signature on checks for payments of Township purchases.

Recommendation:

That checks for the payment of Township purchases contain at least two signatures with one being a live signature and not a stamp.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-23:

It was noted that Township Payment In Lieu Of Tax (PILOT) agreements do not appear properly constructed and tracked. One particular agreement’s revenue was incorrectly anticipated and money is actually due back to the outside party. In addition, not all PILOT agreement requirements are being followed, as in some cases, a portion of PILOT revenue due to the county was never remitted.

Recommendation:

That PILOT agreements be properly constructed and tracked in order to ensure the agreements benefit the Township.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Chief Financial Officer/Treasurer (continued):

Finding 2011-24:

It was noted during our audit that monthly financial reports are not being presented to and reviewed by the Township committee.

Recommendation:

That Township financial reports be presented to the Township committee on a monthly basis for review.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-25:

It was noted during our audit that 3 bank accounts with Fulton Bank containing the Township's federal ID number are actually accounts of outside organizations.

Recommendation:

That bank accounts of outside organizations which contain the Township's federal ID number be closed immediately.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-26:

It was noted during our audit that grant receivables in the general capital fund totaling \$236,000 which were outstanding at the end of 2010 remained outstanding at 12/31/11.

Recommendation:

That all grant receivables be reviewed and an attempt be made to collect such receivables.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-27:

It was noted during our audit that a water and sewer connection fee calculation has not been completed since 2004.

Chief Financial Officer/Treasurer (continued):

Recommendation:

That a water and sewer connection fee calculation be completed on an annual basis.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-28:

The Township could not provide a detail of foreclosed property which agrees to the balance sheet.

Recommendation:

That a proper analysis of foreclosed property be completed and maintained for inspection.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-29:

It was noted during our audit that the Township is not charging the Library the proper amount for health and life insurance premium costs. In addition the Township does not bill the Library for the Library's share of the PERS employer contribution.

Recommendation:

That the Township reviews the actual cost of the West Deptford Free Public Library's health premiums, life insurance premiums and pension and ensure that they charge the Library the proper amount and not a percentage or estimate.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Municipal Clerk

Finding 2011-30:

It was noted during our audit that the Township's official minutes do not contain page numbers.

Recommendation:

That the Township minutes have page numbers to ensure that minute books are complete and pages are not omitted or inserted.

Municipal Clerk (continued):

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Water-Sewer Utility

Finding 2011-31:

It was noted during our audit that the Township's utility system is out dated and does not allow for printing of adjusted bills, adjustments are made manually with a type writer outside of the utility system.

Recommendation:

That the Township reviews their software needs for the water-sewer utility office to help ensure accurate billing and collection.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-32:

It was noted during our audit that meter reading books were recorded in pencil.

Recommendation:

That meter readings are recorded in a permanent manner in order to prevent any future alterations to the readings.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Finding 2011-33:

During our audit of 581 water-sewer utility reading cards, 230 customers were discovered who should have had their service shut off. Further procedures performed to ensure that the 230 customers water was shut off were inconclusive due to poor record keeping by the Township. In addition, of the 230 customers, 7 represented Township employees, 4 of which were/are employees of the water-sewer department. One water-sewer employee had only had 3 actual readings of their water meter in the past 6 years. In addition, it appears that actual readings are only when a card, which is left at the employee's door, is filled out by them personally. This employee was assessed the minimum billing throughout 2011.

Water-Sewer Utility (continued):

Recommendation:

That procedures be implemented by the Township to ensure water-sewer readings are properly performed and recorded. In addition, the Township ensures the customer is properly billed, and that subsequent collections are made and deposited in timely manner. In addition, the Township should ensure actual water readings are made by the Township's meter reader and do not accept readings written in by Township residents. In addition, properties which cannot be accessed and continually receive minimum billings be reviewed and a follow up appointment be made to obtain actual readings.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Administration

Finding 2011-34:

It was noted during our audit that there is no formal agreement in place with the West Deptford School District for the school resource officer.

Recommendation:

That a formal agreement be created for the school resource officer with approval from the Township and the West Deptford School District.

Management Response:

The Township of West Deptford agrees with this finding, and will correct it accordingly.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except with those marked above with an asterisk (*).

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Registered Municipal Accountant
No. CR473

Medford, New Jersey
July 19, 2012

