

TOWNSHIP OF MOORESTOWN
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2005

**TOWNSHIP OF MOORESTOWN
COUNTY OF BURLINGTON**

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**TOWNSHIP OF MOORESTOWN
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2005**



Holman & Frenia, P.C.
Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Moorestown
County of Burlington
Moorestown, New Jersey 08057

We have audited the accompanying financial statements – statutory basis of the Township of Moorestown, as of and for the year ended December 31, 2005, as listed in the table of contents. These financial statements are the responsibility of the Township of Moorestown's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and 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 Township of Moorestown prepares its financial statements in conformity with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Moorestown, as of December 31, 2005, and the results of its operations for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2006, on our consideration of the 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.

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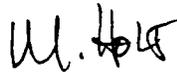
TOMS RIVER OFFICE

10 Allen Street, Suite 2B, Toms River, NJ 08753
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Our audit was conducted for the purpose of forming an opinion on the financial statements of the Township of Moorestown, taken as a whole. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*; and the New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectfully, and are not a required part of the financial statements. 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 taken as a whole on the basis of accounting described in Note 1.

Respectfully submitted,

HOLMAN & FRENIA, P.C.



Michael Holt
Registered Municipal Accountant
CR 473

Medford, New Jersey
April 11, 2006



Holman & Frenia, P.C.
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 Council
Township of Moorestown
County of Burlington
Moorestown, New Jersey 08057

We have audited the financial statements – statutory basis of the Township of Moorestown as of and for the year ended December 31, 2005, and have issued our report thereon dated April 11, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements 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 Moorestown's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Moorestown's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the Township of Moorestown in the accompanying Comment and Recommendation Section.

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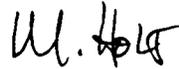
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This report is intended solely for the information of the management of the Township of Moorestown and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P.C.

A handwritten signature in black ink, appearing to read "M. Holt".

Michael Holt
Registered Municipal Accountant
CR 473

Medford, New Jersey
April 11, 2006

FINANCIAL STATEMENTS

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Regular Fund:			
Cash:			
Treasurer	A-4	\$15,854,578	16,029,629
Change Fund	A-5	475	475
Due From State			<u>16</u>
Total		<u>15,855,053</u>	<u>16,030,120</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	633,873	726,043
Tax Title Liens Receivable	A-7	582,820	546,998
Foreclosed Property - Assessed Valuation	A-8	101,300	296,800
Revenue Accounts Receivable	A-9	17,606	22,093
Sales Contracts Receivable	A	370,000	
Due From Interfunds:			
Trust Other	B		5,017
Payroll	F	472	
Bond & Coupon Account	A	6,966	<u>6,966</u>
Total Receivables & Other Assets With Full Reserves		<u>1,713,037</u>	<u>1,603,917</u>
Deferred Charges To Future Taxation:			
Emergency Appropriations		25,000	117,000
Overexpenditure of Current Year Appropriation			<u>4,679</u>
Total		<u>25,000</u>	<u>121,679</u>
Total Regular Funds		<u>17,593,090</u>	<u>17,755,716</u>
Federal & State Grants:			
State Grants Receivable	A-12	33,575	31,395
Due From Current Fund	A	122,981	<u>46,144</u>
Total State & Federal Grants		<u>156,556</u>	<u>77,539</u>
Total Assets		<u>\$17,749,646</u>	<u>17,833,255</u>

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

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2005	2004
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$1,045,226	748,056
Reserve for Encumbrances	A-3	560,050	858,628
Accounts Payable	A	45,578	18,496
Due County for Added & Omitted Taxes	A-6	182,186	220,135
Local District School Taxes Payable	A-11	7,553,925	8,259,023
Prepaid Taxes	A-4,A-6	558,524	645,137
Tax Overpayments	A	139,138	112,936
Due to State of New Jersey for Senior Citizen & Veteran Deductions	A	244,220	242,137
Due to State - Marriage License Fees	A	509	
Due State of New Jersey Inspection Fees	A	16,264	
Due to Interfunds:			
Trust Assessment Fund	B	10,817	5,109
General Capital	C	737	908
Due Federal & State Grant	A	122,981	46,144
Dog License Trust Fund	B	305	776
Other Trust Fund	B	31,697	
Water and Sewer Operating Fund	D	3,887	
Payroll Fund	F		531
Public Assistance Fund	E	493	493
Reserve for:			
Streetscape Improvements	A	20,000	
Tax Assessment Revaluation	A	6,932	6,932
Subtotal Regular Fund		10,543,469	11,165,441
Reserve for Receivables & Other Assets	A	1,713,037	1,603,917
Fund Balance	A-1	5,336,584	4,986,358
Total Regular Fund		17,593,090	17,755,716
State & Federal Grants:			
Reserve for Federal & State Grants:			
Appropriated	A-13	73,334	33,071
Unappropriated	A-14	7,638	23,505
Encumbrances	A-13	75,584	20,963
Total State & Federal Grants		156,556	77,539
Total Liabilities, Reserves & Fund Balance		\$17,749,646	17,833,255

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

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**

	REFERENCE	2005	2004
Revenue & Other Income Realized:			
Fund Balance Utilized	A-1,A-2	\$4,737,000	5,170,017
Miscellaneous Revenue Anticipated	A-2	5,608,017	5,107,210
Receipts From Delinquent Taxes & Tax Title Liens	A-2	728,078	917,954
Receipts From Current Taxes	A-2	79,191,154	74,752,703
Nonbudget Revenue	A-2,A-9	466,678	291,968
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	656,587	552,209
Cancellation of Federal And State Grants		46	1,500
Cancellation of Tax Overpayments		37	
Cancellation of Prior Year Accounts Payable		13	6,499
Interfunds Liquidated		5,017	310
Total		91,392,627	86,800,370
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries & Wages	A-3	8,152,709	7,869,421
Other Expenses	A-3	3,620,635	3,423,895
Deferred Charges & Statutory Expenditures	A-3	407,179	372,645
Excluded From "CAPS":			
Operations:			
Salaries & Wages	A-3	74,205	149,474
Other Expenses	A-3	3,738,294	3,327,770
Capital Improvements	A-3	355,350	157,400
Municipal Debt Service	A-3	3,269,250	3,269,563
Fire District Taxes	A-6	1,917,437	1,852,500
County Taxes	A-6	14,256,316	13,843,869
Local District School Tax	A-11	49,361,867	46,772,047
Municipal Open Space	A-6	1,165,613	1,153,624
Senior Citizen & Veteran Deductions Disallowed			
Prior Year	A	9,839	10,517
Refund of Prior Year Revenue		275	55
Interfund Reserves Created		1,432	5,017
Total Expenditures		86,330,401	82,207,797
Excess/Deficit in Revenue		5,062,226	4,592,573
Statutory Excess to Fund Balance		5,062,226	4,592,573
Fund Balance January 1	A	4,986,358	5,442,123
Adjustments to Income Before Fund Balance			
Expenditures Included Above Which are by Statute			
Deferred Charges to Succeeding Years Budgets		25,000	121,679
Total		10,073,584	10,156,375
Decreased by: Utilization as Anticipated Revenue	A-1.A-2	4,737,000	5,170,017
Fund Balance December 31	A	\$5,336,584	4,986,358

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

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	APPROPRIATED		EXCESS OR (DEFICIT)
	BUDGET	BY N.J.S.A.40A:47-87 REALIZED	
Fund Balance Utilized	\$4,737,000	4,737,000	
Miscellaneous Revenue:			
Licenses - Other	5,300	5,131	(169)
Fees & Permits - Other	88,500	77,444	(11,056)
Fines & Costs - Municipal Court	275,000	279,511	4,511
Interest & Costs on Taxes	215,000	208,129	(6,871)
Parking Meters	23,000	25,053	2,053
Interest on Investments & Deposits	400,000	758,139	358,139
Reserve for Payment of Bonds	200,000	200,000	
Reserve for Payment of Notes	96,197	96,197	
Recreation Fees	49,988	66,887	16,899
Police Accident Report Fees	6,000	6,455	455
Special Police Duty Service Charges	100,000	108,903	8,903
Street Opening Permits	2,500	3,575	1,075
Cable Television Fees	63,049	63,049	
Consolidated Municipal Property Tax			
Relief Act	1,010,859	1,010,859	
Energy Receipts Tax	1,378,650	1,378,650	
Supplemental Energy Receipts Tax	70,148	70,148	
Reserve for Supplemental Franchise &			
Gross Receipts Tax (P S E & G)	230,000	234,888	4,888
Legislative Initiative Block Grant	74,566	74,566	
Homeland Security Aid	70,000	70,000	
Fees & Permits:			
Uniform Construction Code	83,000	267,412	184,412
Anticipated General Capital Surplus	75,000	75,000	
Garden State Preservation Trust	91	91	
Utility Operating Fund Reimbursement	199,500	199,500	
Housing Trust Fund	100,000	100,000	
State Grants:			
Drunk Driving Enforcement Grant	18,335	18,335	
Clean Communities Program	21,001	21,001	
Safe & Secure Communities	60,000	60,000	
Municipal Drug Alliance Grant	15,800	15,800	
Body Armor Replacement Fund	3,631	3,631	
Click It or Ticket Grant		3,249	
Buckle Up South Jersey		2,000	
Recycling Tonnage Grant	4,414	4,414	

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

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Miscellaneous Revenue (continued):				
Local Grants:				
Best Place to Live Grant		100,000	100,000	
Total Miscellaneous Revenues	4,939,529	105,249	5,608,017	563,239
Receipts From Delinquent Taxes	720,000		728,078	8,078
Subtotal General Revenues	10,396,529	105,249	11,073,095	571,317
Local Tax for Municipal Purposes	10,500,920		11,899,330	1,398,410
Budget Totals	20,897,449	105,249	22,972,425	1,969,727
Nonbudget Revenues			466,678	466,678
Total	<u>\$20,897,449</u>	<u>105,249</u>	<u>23,439,103</u>	<u>2,436,405</u>

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$79,191,154
Less: School and County Taxes	<u>68,701,233</u>
Balance for Support of Municipal Budget Appropriations	10,489,921
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,409,409</u>
Total Amount for Support of Municipal Budget Appropriation	<u>\$11,899,330</u>
Delinquent Property Taxes Receivable	<u>\$728,078</u>
Total Receipts From Delinquent Taxes	<u>\$728,078</u>

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

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATIONS	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
General Government:					
General Administration:					
Salaries and Wages	\$308,563	308,563	304,734	3,829	
Other Expenses	64,590	64,590	58,440	6,150	
Human Resources:					
Other Expenses	32,200	32,200	19,023	13,177	
Mayor and Council:					
Salaries and Wages	21,485	22,260	22,260		
Other Expenses	8,875	8,875	7,084	1,791	
Municipal Clerk:					
Salaries and Wages	58,856	58,856	57,493	1,363	
Other Expenses	27,000	27,000	23,847	3,153	
Financial Administration (Treasury):					
Office of Controller:					
Salaries and Wages	257,101	227,101	224,659	2,442	
Other Expenses	25,800	25,800	17,908	7,892	
Auditing Services:					
Other Expenses	23,000	23,000	23,000		
Computer Data Processing:					
Salaries and Wages	33,805	33,805	33,670	135	
Other Expenses	16,500	61,500	18,084	43,416	
Revenue Administration (Tax Collection):					
Salaries and Wages	112,488	112,488	110,096	2,392	
Other Expenses	14,600	14,600	11,660	2,940	
Tax Assessment:					
Salaries and Wages	97,055	97,055	96,628	427	
Other Expenses	12,250	12,250	5,369	6,881	
Legal Services (Legal Department):					
Other Expenses	108,000	123,000	91,040	31,960	
Engineering Services:					
Other Expenses	38,000	38,000	22,846	15,154	
Economic Development Agencies:					
Other Expenses	400	400		400	
Land Use Administration:					
Planning Board:					
Salaries and Wages	256,540	256,540	250,449	6,091	
Other Expenses	52,550	77,550	72,413	5,137	
Zoning Board of Adjustments:					
Salaries and Wages	59,631	59,631	54,554	5,077	
Other Expenses	20,900	20,900	11,097	9,803	
Insurance:					
Unemployment Compensation Insurance					
	5,000	5,000	2,971	2,029	
Public Safety Functions:					
Police:					
Salaries and Wages	4,272,432	4,307,432	4,080,156	227,276	
Other Expenses	236,688	236,688	233,929	2,759	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATIONS	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
Public Safety Functions (continued):					
Aid to EMS:					
Other Expenses	20,000	10,000	10,000		
Prosecutor:					
Salaries and Wages	17,278	17,278	17,278		
Public Works Functions:					
Department of Public Works:					
Office of the Director:					
Salaries and Wages	209,916	209,916	207,770	2,146	
Other Expenses	10,900	10,900	5,363	5,537	
Road Repairs & Maintenance:					
Salaries and Wages	667,694	611,694	581,087	30,607	
Other Expenses	194,925	194,925	119,804	75,121	
Building & Grounds:					
Other Expenses	189,500	189,500	155,365	34,135	
Shade Tree:					
Salaries and Wages	182,885	147,885	138,604	9,281	
Other Expenses	67,900	37,900	14,008	23,892	
Tree Planting & Preservation Committee:					
Other Expenses	3,100	3,100	1,289	1,811	
Maintenance of Motor Vehicles:					
Salaries and Wages	180,901	183,401	178,152	5,249	
Other Expenses	158,500	158,500	142,361	16,139	
Division of Sanitation:					
Salaries and Wages	581,950	584,450	575,625	8,825	
Other Expenses	100,200	100,200	74,070	26,130	
Solid Waste Disposal:					
Other Expenses	750,000	750,000	736,637	13,363	
Health & Human Services:					
Environmental Committee:					
Other Expenses	22,000	22,000	11,214	10,786	
Animal Control:					
Contractual Service	10,080	10,080	10,080		
Contributions to Social Services Agencies:					
Other Expenses	2,500	2,500	2,500		
Parks & Recreation:					
Recreation Services & Programs:					
Salaries and Wages	363,520	378,520	373,057	5,463	
Other Expenses	136,550	136,550	128,471	8,079	
Parks & Playgrounds:					
Salaries and Wages	277,957	236,957	173,322	63,635	
Other Expenses	123,800	113,800	98,219	15,581	
Utility Expenses & Bulk Purchases:					
Electricity	264,500	279,500	258,822	20,678	
Street Lighting Other Expenses	245,000	245,000	232,729	12,271	
Telephone Expenses	65,460	65,460	56,387	9,073	
Water	5,000	5,000	4,438	562	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATIONS	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
Utility Expenses & Bulk Purchases (continued):					
Gas (Natural/Propane)	70,000	85,000	68,214	16,786	
Telecommunications	40,000	40,000	33,548	6,452	
Gasoline	149,464	174,464	164,917	9,547	
Uniform Construction Code:					
Division of Building & Inspection:					
Salaries and Wages	125,910	130,135	127,690	2,445	
Other Expenses	113,071	113,071	111,852	1,219	
Municipal Court:					
Salaries and Wages	135,742	120,742	115,229	5,513	
Other Expenses	18,182	18,182	17,165	1,017	
Public Defender:					
Other Expenses	9,650	11,650	11,035	615	
Unclassified:					
Sick Sell - Back	18,000	18,000		18,000	
Condo Services	47,000	72,000	10,306	61,694	
Accumulated Leave Compensation:					
Salaries and Wages	5,000	30,000	30,000		
Total Operation Within "CAPS"	11,748,344	11,773,344	10,850,018	923,326	
Detail:					
Salaries and Wages	8,244,709	8,152,709	7,752,513	400,196	
Other Expenses (Including Contingent)	3,503,635	3,620,635	3,097,505	523,130	
Deferred Charges/Statutory Expenditures - Municipal Within "CAPS":					
Social Security	392,500	392,500	347,717	44,783	
Overexpenditure of Appropriation Rese	4,679	4,679	4,679		
Consolidated Police & Firemen	10,000	10,000	9,881	119	
Total Deferred Charges & Statutory Expenditures Within "CAPS"	407,179	407,179	362,277	44,902	
Total General Appropriations for Municipal Purposes Within "CAPS"	12,155,523	12,180,523	11,212,295	968,228	
OPERATIONS EXCLUDED FROM "CAPS":					
Deferred Charges:					
Emergency Authorizations	117,000	117,000	117,000		
Unfunded Ordinances					
Ord. #1951-1989	2,848	2,848	2,848		
Ord. #1973-1993	1,254	1,254	1,254		
Insurance:					
Worker's Compensation	192,700	192,700	192,646	54	
Employee Group Insurance	1,691,500	1,640,000	1,612,956	27,044	
Other Insurance Premiums	135,300	136,800	136,666	134	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATIONS	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED CANCELED
Maintenance of Free Public Library:				
Other Expenses	1,257,720	1,257,720	1,257,720	
Public Works Function - Snow Emergency:				
Road Repairs and Maintenance				
Salaries and Wages	8,029	8,029	8,029	
Other Expenses	11,125	11,125	11,125	
Maintenance of Motor Vehicles:				
Salaries and Wages	1,886	1,886	1,886	
Other Expenses	4,100	4,100	4,100	
Sanitation - Snow Emergency:				
Salaries and Wages	4,290	4,290	4,290	
Utility Expenses and Bulk Purchases - Snow Emergency:				
Gasoline	1,536	1,536	1,536	
Public & Private Programs Offset by Revenues:				
Supplemental Fire Services Program	8,331	8,331	8,331	
NJ Council on Alcohol & Drug Abuse:				
State Share	15,800	15,800	15,800	
Local Share	3,950	3,950	3,950	
Clean Communities Act	21,001	21,001	21,001	
Body Armor Replacement Fund	3,631	3,631	3,631	
Drunk Driving Enforcement	18,335	18,335	18,335	
Recycling Tonnage Grant	4,414	4,414	4,414	
Best Place to Live Donation		100,000	100,000	
Click It or Ticket		3,249	3,249	
Buckle Up South Jersey		2,000	2,000	
Safe & Secure Neighborhoods	60,000	60,000	60,000	
Total Operations Excluded From "CAPS"	3,564,750	3,619,999	3,592,767	27,232
Detail:				
Salaries and Wages	74,205	74,205	74,205	
Other Expenses	3,490,545	3,545,794	3,518,562	27,232
Capital Improvements - Excluded from "CAPS":				
Capital Improvement Fund	227,500	277,500	277,500	
Capital Outlay:				
New Albany Road Rail Grade	7,500	7,500	6,672	828
N. Church Recreation Center Repairs	45,000	45,000		45,000
Softball Field Repairs	20,000	20,000	16,805	3,195
Baseball Field Co-Share Project	5,350	5,350	5,350	
Total Capital Improvements Excluded from "CAPS"	305,350	355,350	306,327	49,023

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATIONS	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
Municipal Debt Service - Excluded From "CAPS":					
Payment of Bond Principal	1,936,900	1,936,900	1,936,850		50
Payment of Bond Anticipation Notes & Capital Notes	446,197	446,197	446,197		
Interest on Bonds	656,000	656,000	655,587		413
Interest on Notes	207,500	207,500	207,297		203
Green Trust Loan Program: Loan Repayments for Principal & Interest	23,320	23,320	23,319		1
Total Municipal Debt Service Excluded From "CAPS"	3,269,917	3,269,917	3,269,250		667
Statutory Expenditures:					
Public Employees Retirement System	31,000	31,000	30,518	482	
Police & Fire Retirement System	161,500	161,500	161,239	261	
Total Statutory Expenditures	192,500	192,500	191,757	743	
Total General Appropriations Excluded From "CAPS"	7,332,517	7,437,766	7,360,101	76,998	667
Subtotal General Appropriations	19,488,040	19,618,289	18,572,396	1,045,226	667
Reserve For Uncollected Taxes	1,409,409	1,409,409	1,409,409		
Total General Appropriations	\$20,897,449	21,027,698	19,981,805	1,045,226	667

Reserve for Uncollected Taxes	\$1,409,409
Encumbrances Payable	560,050
Disbursements	17,797,169
Deferred Charges	121,679
Refunds Current Year Appropriations	(138,882)
Reserve for State & Federal Grants Appropriated	<u>232,380</u>
Total	<u>\$19,981,805</u>

Adopted Budget	\$20,897,449
Emergency Appropriations	25,000
Added by N.J.S.40A:4-87	<u>105,249</u>
Total	<u>\$21,027,698</u>

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

**TOWNSHIP OF MOORESTOWN
TRUST FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Other Trust Funds:			
Cash - Collector - Treasurer	B-2	\$6,504,969	5,437,822
Due Current Fund	A	31,697	
Total Other Trust Funds		6,536,666	5,437,822
Assessment Fund:			
Cash - Treasurer	B-2,B-3	53,763	63,495
Assessments Receivable	B-4	22,558	36,233
Assessment Liens	B-5	287	287
Due From Current Fund	A,B-3	10,817	5,109
Total Assessment Funds		87,425	105,124
Dog License Fund:			
Cash - Treasurer	B-2	13,089	13,606
Due From Clerk			23
Due Current Fund	A	305	776
Total Dog License Fund		13,394	14,405
Total Assets		\$6,637,485	5,557,351

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

**TOWNSHIP OF MOORESTOWN
TRUST FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2005	2004
Other Trust Funds:			
Encumbrances Payable	B-14		16,391
Due to Current Fund	A		5,018
Reserve for:			
Tax Title Lien Redemption	B-14	3,500	3,472
Special Law Enforcement Fund	B-14	2,795	1,915
Landfill Closure Escrow	B-14		2,249
Confiscated Funds	B-14	1,427	1,391
Unemployment Compensation	B-14	198,370	192,324
Uniform Construction Code:			
Third Party Inspection Fees	B-14	418,602	198,668
Health Benefits Insurance & Self Insurance	B-14	26,048	21,933
Premium Received at Tax Sale	B-14	11,068	228,830
Community Alliance for Substance Abuse	B-14	9,750	9,750
Recreation Improvements	B-14	20,341	14,742
Cash Performance Guarantees	B-14	1,880,857	2,082,179
Miscellaneous Escrow Deposits	B-14	421,684	428,760
Low & Moderate Housing Trust Fund	B-14	471,101	305,445
Open Space Trust	B-14	2,676,369	1,552,827
Teleport Aesthetic Fee	B-14	66,400	57,000
Tree Replacement Fund	B-14	39,240	39,240
Tree Remembrance Fund	B-14	1,016	1,237
Renaissance Fund	B-14	76,476	81,012
POAA	B-14	286	114
S. Lenola Road	B-14	9,765	9,765
Sidewalk Repairs	B-14	2,400	
Recreation Funds	B-14	24,497	16,283
Accumulated Leave Fund	B-14	174,674	167,277
		<hr/>	<hr/>
Total Other Trust Funds		6,536,666	5,437,822
Assessment Funds:			
Bonds Payable	B-10	44,660	59,660
Notes Payable	B-11	19,079	34,111
Due to Utility Assessment Fund	B	12,333	
Reserve for Assessments & Liens	B-9	611	611
Reserve for Assessments & Liens		1,495	1,495
Fund Balance	B-1	9,247	9,247
		<hr/>	<hr/>
Total Assessment Funds		87,425	105,124
Dog License Fund:			
Due Township Clerk's Account	B-7	29	29
Reserve for Dog Fund Expenditures	B-6	13,365	14,376
		<hr/>	<hr/>
Total Dog License Fund		13,394	14,405
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		<u>\$6,637,485</u>	<u>5,557,351</u>

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

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Cash	C-2	\$2,147,577	2,882,971
Due to Current Fund	C	737	907
Accounts Receivable:			
Department of Transportation	C	150,000	
Department of Community Affairs	C	45,000	
Deferred Charges to Future Taxation:			
Funded	C-5	19,742,411	21,732,243
Unfunded	C-3	19,372,787	15,938,056
		<u> </u>	<u> </u>
Total Assets		<u>\$41,458,512</u>	<u>40,554,177</u>
LIABILITIES, RESERVES & FUND BALANCE			
Reserve for Encumbrances	C-6	\$883,634	930,416
Bond Anticipation Notes	C-10	13,755,545	14,421,603
Serial Bonds	C-8	19,570,810	21,541,050
Green Acres Loan	C-9	171,600	191,192
Improvement Authorizations:			
Funded	C-6	171,136	150,150
Unfunded	C-6	5,961,882	2,599,398
Due From Current Fund	A,C-4		
Reserve For Payment of Debt Service	C-12	693,933	510,656
Capital Improvement Fund	C-7	22,601	39,576
Fund Balance	C-1	227,371	170,136
		<u> </u>	<u> </u>
Total Liabilities, Reserves & Fund Balance		<u>\$41,458,512</u>	<u>40,554,177</u>

There were bonds and notes authorized but not issued on December 31, 2005 of \$5,617,243 and on December 31, 2004 was \$1,516,454.

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

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Operating Fund:			
Cash - Treasurer	D-5	\$2,705,631	2,915,783
Due Interfunds:			
Utility Assessment Fund	D	4,652	17
Utility Capital Fund	D		572
Current Fund	A	3,887	
Deferred Charges:			
Emergency Authorizations	D	80,000	500,000
Total		<u>2,794,170</u>	<u>3,416,372</u>
Receivables & Other Assets With Full Reserves:			
Utility Charges Receivable	D-9	533,281	542,783
Utility Service Charge Liens	D-10		4,606
Total Receivable & Other Assets With Full Reserves		<u>533,281</u>	<u>547,389</u>
Total Operating Fund		<u>3,327,451</u>	<u>3,963,761</u>
Assessment Trust Fund:			
Cash - Treasurer	D-5	194,912	194,187
Due Trust Assessment Fund	B	12,333	
Assessments Receivable	D-11	19,397	31,730
Assessments Held in Abeyance	D-12	58,953	58,953
Total Assessment Trust Fund		<u>285,595</u>	<u>284,870</u>
Capital Fund:			
Cash - Treasurer	D-5	586,904	741,576
Fixed Capital:			
Completed	D-13	38,959,204	38,678,352
Authorized & Uncompleted	D-14	2,437,550	1,714,550
Due Utility Operating Fund	D	360	
Total Capital Fund		<u>41,984,018</u>	<u>41,134,478</u>
Total Operating & Capital Fund		<u><u>\$45,597,064</u></u>	<u><u>45,383,109</u></u>

Bonds and Notes authorized but not issued as of December 31, 2005 was \$552,350 and as of December 31, 2004 was \$25,750.

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

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2005	2004
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4,D-15	\$289,255	495,684
Reserve for Encumbrances	D-4	478,182	687,219
Overpayments	D	38	
Accounts Payable	D-5	15,774	2,317
Accrued Interest on Bonds	D-16	107,210	123,851
Accrued Interest on Notes	D-17	27,443	22,190
Due Water & Sewer Capital Fund	D	360	
		<hr/>	
Subtotal		918,262	1,331,261
Reserve for Receivables	D	533,281	547,389
Fund Balance	D-1	1,875,908	2,085,111
		<hr/>	
Total Operating Fund		3,327,451	3,963,761
		<hr/>	
Assessment Trust Fund:			
Reserve for Assessments	D-18	79,700	79,700
Bond Anticipation Notes	D	16,012	19,922
Due Water & Sewer Operating Fund	D	4,652	17
Fund Balance	D-2	185,231	185,231
		<hr/>	
Total Assessment Trust Fund		285,595	284,870
		<hr/>	
Capital Fund:			
Reserve for Encumbrances	D-19	21,125	146,919
Bond Anticipation Notes	D-23	1,209,364	1,224,364
Serial Bonds	D-24	8,049,530	9,308,290
Improvement Authorizations:			
Funded	D-19	21,057	7,331
Unfunded	D-19	714,095	129,532
Reserves for:			
Amortization	D-21	30,764,302	29,104,690
Deferred Amortization	D-22	876,370	784,970
Repayment of Bonds	D	10,533	10,533
Repayment of Bond Anticipation Notes	D		100,000
Due Utility Operating Fund	D		572
Capital Improvement Fund	D-20	145,796	157,196
Fund Balance	D-25	171,846	160,081
		<hr/>	
Total Capital Fund		41,984,018	41,134,478
		<hr/>	
Total Liabilities, Reserves & Fund Balance		\$45,597,064	45,383,109
		<hr/> <hr/>	

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

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**

	2005	2004
Revenue & Other Income Realized:		
Fund Balance Utilized	\$1,585,000	1,776,744
Service Charges	6,098,709	5,479,372
Interest on Investments	110,801	72,747
Miscellaneous	774,442	628,360
Cancellation of Prior Year Accounts Payable	838	12,182
Unexpended Balance of Appropriation Reserves	492,109	1,165,423
	<hr/>	<hr/>
Total Income	9,061,899	9,134,828
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations:		
Operating	5,082,797	5,513,394
Capital Improvements	181,000	374,000
Debt Service	1,847,837	1,701,852
Deferred Charges & Statutory Expenditures	647,418	335,000
Refund of Prior Year Revenues	7,050	
	<hr/>	<hr/>
Total Expenditures	7,766,102	7,924,246
	<hr/>	<hr/>
Statutory Excess to Fund Balance	1,295,797	1,210,582
Fund Balance January 1	2,085,111	2,151,273
Adjustments to Income Before Fund Balance		
Expenditures Included Above Which are by Statute		
Deferred Charges to Succeeding Years Budgets	80,000	500,000
	<hr/>	<hr/>
Total	3,460,908	3,861,855
Less: Utilized by Operating Budget	1,585,000	1,776,744
	<hr/>	<hr/>
Balance December 31	\$1,875,908	2,085,111
	<hr/>	<hr/>

**WATER-SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - (STATUTORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2005 & 2004	<u><u>\$185,231</u></u>
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The accompanying Notes to the Financial Statement are an integral part of these Statements.

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Operating Surplus Anticipated	\$1,585,000	1,585,000	
Water Use Charges	2,795,000	3,315,180	520,180
Sewer Use Charges	2,375,000	2,476,153	101,153
Hydrants	305,000	307,376	2,376
Interest on Investments	69,975	110,801	40,826
Miscellaneous - Water	409,000	522,894	113,894
Miscellaneous - Sewer	179,000	251,548	72,548
Total	\$7,717,975	8,568,952	850,977
		\$1,585,000	
Fund Balance Realized as Revenue		6,983,952	
Cash Receipts			
Total		\$8,568,952	

ANALYSIS OF REALIZED REVENUES

Miscellaneous - Water:		
Penalties on Delinquent Accounts		\$35,501
Meter Pit Covers		31,560
Water Connection Fees		225,957
Tower Rental Fees		117,032
Miscellaneous		112,844
Total		\$522,894
Miscellaneous - Sewer:		
Sewer Connection Fees		\$243,082
Miscellaneous		8,466
Total		\$251,548

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

**TOWNSHIP OF MOORESTOWN
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Cash	E-1	\$1,332	1,332
Due From Current Fund	A	493	493
		<hr/>	<hr/>
Total		\$1,825	1,825
		<hr/> <hr/>	<hr/> <hr/>
LIABILITIES, RESERVES & FUND BALANCE			
Reserve for Public Assistance		\$1,825	1,825
		<hr/>	<hr/>
Total		\$1,825	1,825
		<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF MOORESTOWN
PAYROLL FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
DECEMBER 31, 2005 AND 2004**

ASSETS	REFERENCE	2005	2004
Cash	F-1	(\$6,146)	55,213
Due from Current Fund			<u>531</u>
Total		<u>(\$6,146)</u>	<u>55,744</u>
LIABILITIES			
Payroll Deductions Payable	F	(\$6,618)	55,744
Due to Current Fund	A	<u>472</u>	
Total		<u>(\$6,146)</u>	<u>55,744</u>

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

**TOWNSHIP OF MOORESTOWN
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Township of Moorestown was incorporated under the laws of the State of New Jersey. The financial statements of the reporting entity include those of the Township of Moorestown only and no other component units.

B. Descriptions of Funds

The accounting policies of the Township 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, (the "Division"). 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 accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

Trust Fund – receipt, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, including dog license revenue and expenditures and sundry deposits held for satisfactory completion of specific work.

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

Water and Sewer Operating and Capital Funds - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of water-sewer capital facilities, other than those acquired through the Water-Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

C. Basis of Accounting

The modified accrual basis of accounting is followed, with minor exceptions. Modifications from the accrual basis follow:

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves and recorded as revenue when received.

TOWNSHIP OF MOORESTOWN

NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2005

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

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

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – 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.

Insurance – costs 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.

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.

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase. No depreciation has been recorded. Fixed Assets acquired through grants in and/or contributed capital have not been accounted for separately. Fixed Assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is valued at estimated market value.

Property and Equipment purchased by the Water and Sewer utility Fund are recorded in the capital account at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization are an accumulation of charges to operations for the costs of acquisitions of property, equipment and improvements. The utility fund does not record depreciation on fixed assets.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

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

Compensated Absences – All Employees (Except Police Officers) – Township employees are entitled to sick leave days in varying amounts each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Employees shall upon leaving the employment of the Township in good standing by, death, the completion of ten (10) years of service or after age 55, shall be compensated for unused accumulation sick leave in a lump sum payment at the base rate of pay then in effect in accordance with the following formula:

1. If the employee has 149 days or less he or his estate shall be compensated at the rate of \$20.00 per day.
2. If the employee has 150-174 days remaining he or his estate shall be compensated for 10% of them at the base rate of pay and 90% at the rate of \$20.00 per day.
3. If the employee has 175-199 days remaining he or his estate shall be compensated for 15% of them at the base rate of pay and 85% at the rate of \$20.00 per day.
4. If the employee has 200-224 days remaining he or his estate shall be compensated for 20% of them at the base rate of pay and 80% at the rate of \$20.00 per day.
5. If the employee has 225 days or more remaining he or his estate shall be compensated for 25% of them at the base rate of pay and 75% at the rate of \$20.00 per day.

The maximum benefit payable under this provision shall be ten thousand dollars (\$10,000) for supervisory/technical, clerical and Public Works Supervisors and ten thousand dollars (\$10,000) for CWA employees.

Police Officers – Township Police Officers are entitled to sick leave days in varying amounts each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Police Officers shall upon leaving the employment of the Township in good standing by death or retirement, shall be compensated for unused accumulated sick leave in a lump sum payment at the base rate of pay then in effect in accordance with the following formula:

1. If the employee has 149 days or less he or his estate shall be compensated at the rate of \$20.00 per day.
2. If the employee has 150-174 days remaining he or his estate shall be compensated for 15% of them at the base rate of pay and 85% at the rate of \$20.00 per day.
3. If the employee has 175-199 days remaining he or his estate shall be compensated for 20% of them at the base rate of pay and 80% at the rate of \$20.00 per day.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

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

4. If the employee has 200-224 days remaining he or his estate shall be compensated for 25% of them at the base rate of pay and 75% at the rate of \$20.00 per day.
5. If the officer has 225 days or more remaining then he or his estate shall be compensated for 30% of them at the base rate of pay and 70% at the rate of \$20.00 per day.

The maximum benefit payable under this provision shall be eighteen thousand dollars (\$18,000.00).

Employees holding positions set forth in Section 1(a) (Supervisory/Technical, Police, Public Works Supervisors and Clerical Positions) using three (3) sick days or less in a particular year may apply to sell back to the Township up to five (5) days of that year's sick leave allocation at base pay. To receive approval, an employee in Section 1(a) must have a minimum accumulation of 30 sick days sick leave to his/her credit at all times, before and after the sellback, and utilize not more than three (3) days through December 31st of the year in which he applies. It is the responsibility of the employee in Section 1(a) (Supervisory/Technical, Police, Public Works Supervisors and Clerical Positions) to complete the appropriate application form between November 1st and December 1st, and his or her decision shall be final.

Vacation days not used during the year may be accumulated and carried forward to the next succeeding year. Vacation days carried forward must be used in the next succeeding year or be forfeited. Upon retirement or termination, employees will be reimbursed for any unused accumulated vacation days at their daily rate of pay based upon the employee's salary in effect at the time of such last year of service.

The amount of accrual for compensated absences as of December 31, 2005 is as follows:

	Employees Accrual	Township Share Of Payroll Taxes
Sick Time	\$438,519	\$22,732
Vacation Time	<u>432,062</u>	<u>20,635</u>
 Total	 <u>\$870,581</u>	 <u>\$43,367</u>

This liability has not been recorded on the financial statements. Actual payment for compensated absences occurs through the Accumulated Leave Trust Fund Account at the time the employee terminates employment. The Trust Fund Account is funded through annual budget appropriations of both the Current and Utility Fund budgets. The balance in the Trust Fund as of December 31, 2005 is \$174,674.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

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

Property Taxes – Property taxes are an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year.

Investments – Investments are stated at actual cost.

Comparative Data - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township’s financial position and operations. However, comparative data have not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

Budgets - the governing body prepares and approves by resolution an operating and capital budget for the Current Fund, which is then submitted for certification by the State of New Jersey, Department of Community Affairs, Director of Local Government Services. Upon the receipt of such certification and after a public hearing, the budget is then adopted by resolution. Transfers of budgeted amounts may be made by resolution of the Township Council subsequent to October 31st

District School Taxes – Regulations provided 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.

The Township has elected to defer school taxes as follows:

	Balance December 31, 2005	Balance December 31, 2004
Local School Taxes:		
Balance of Tax	\$25,680,924	\$24,386,022
Deferred	<u>18,126,999</u>	<u>16,126,999</u>
Tax Payable	<u>\$ 7,553,925</u>	<u>\$ 8,259,023</u>

Note 2. Bonds and Notes Authorized But Not Issued

At December 31, 2005 the Township of Moorestown had debt authorized but not issued as follows:

General Capital Fund	\$5,617,243
Water & Sewer Utility Capital Fund	552,350

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 3. Fund Balance Appropriated

The following amounts of fund balance at December 31, 2005 were anticipated as revenue in the adopted 2006 budget:

	Fund Balance December 31, 2005	Anticipated In 2006 Budget
Current Fund	\$5,336,584	\$4,849,610
Water & Sewer Operating Fund	1,875,908	1,090,678

Note 4. Pension Plans

A. Plan Description

The Township of Moorestown 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. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issue 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 the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 4. Pension Plans (continued):

Plan members are required to contribute 5% of their annual covered salary for P.E.R.S, 8.5% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately .0% for P.E.R.S. and 0% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Moorestown are established and may be amended by the plan's board of trustees. The Township's contributions were as follows:

	2005	2004	2003
Public Employees' Retirement System	\$ 30,518	1,895	581
Police & Firemens' Retirement System	161,239	63,937	244
Consolidated Police & Firemens' Pension Fund	9,881	21,499	20,793
Widow of a Volunteer Fireman	-0-	-0-	5,000

The amount of the employer's current year covered payroll including Library employees was \$8,796,018 and the total Township payroll for all employees was \$9,662,387. The employees' contributions to both the pension systems were \$545,064 or 6.20% of covered payroll.

5. Deferred Charges to Be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2005 the following deferred charges are shown on the balance sheets of the various funds:

	Balance December 31, 2005	2006 Budget Appropriation
Budgets:		
Current Fund:		
Emergency Authorizations	<u>\$25,000</u>	<u>\$25,000</u>
Total Current Fund	<u>\$25,000</u>	<u>\$25,000</u>
Utility Operating:		
Emergency Authorization	<u>\$80,000</u>	<u>\$80,000</u>
Total Utility Operating	<u>\$80,000</u>	<u>\$80,000</u>

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 6. Cash and Cash Equivalents and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2005, and reported at fair value are as follows:

Type	Rating	Maturities	Carrying Value
Deposits:			
Demand Deposits			<u>\$28,057,084</u>
Total Deposits			<u>\$28,057,084</u>
Reconciliation of Statement of Comparative Balance Sheets:			
Current:			
Treasurer			\$15,855,053
Water & Sewer Utility			2,705,631
Dog Trust			13,089
Other Trust			6,504,969
General Capital			2,147,577
Water & Sewer Capital			586,904
Trust Assessment			53,763
Utility Assessment			194,912
Public Assistance			1,332
Payroll			<u>(6,146)</u>
Total Reconciliation of Comparative Balance Sheets			<u>\$28,057,084</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$28,911,714 at December 31, 2005. Of the bank balance \$310,858 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$28,600,856 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 7 of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2005, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

Note 6. Cash and Cash Equivalents and Investments (continued):

- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

Note 7. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2005 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.

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005

Note 7. Governmental Unit Deposit Protection Act (GUDPA) (continued):

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 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 8. Fixed Assets

The following schedule is a summarization of the General Fixed Assets by Source for the year ended December 31, 2005:

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 8. Fixed Assets (continued):

	Balance December 31, 2004	Additions	Deletions	Balance December 31, 2005
Land & Buildings	\$35,088,337			\$35,088,337
Equipment & Vehicles	6,900,935	\$1,664,741	\$(11,741)	8,553,935
Total	<u>\$41,989,272</u>	<u>\$1,664,741</u>	<u>\$(11,741)</u>	<u>\$43,642,272</u>

Note 9. Joint Insurance Fund

The Township participates in the Professional Municipal Management Joint Insurance Fund (PMMJIF), the Municipal Excess Liability Joint Insurance Fund (MEL) and the New Jersey Environmental Joint Insurance Fund (EJIF), public entity risk pools. Coverage under this joint plan offers workers' compensation and employers' liability, liability other than motor vehicles, property damage other than motor vehicle and motor vehicles. Excess insurance coverages and limits for these types of insurance are provided by third party insurance carriers. The Township is assessed for the contributions for these funds and is responsible for any reserve deficiencies. No contingency or provision has been made in these financial statements for possible deficiencies. No deficiencies occurred at the end of 2005 for the joint insurance pool. The Township's cost of participation in 2005 was \$682,835, with an applied dividend credit of \$169,637, or a net expense of \$513,198.

Limits of coverage, per occurrence are as follow:

	Township Deductible	JIF	MEL	Third Party Carrier
Workman's Compensation & Employer's Liability	None	\$150,000	\$850,000	Statutory \$5,000,000
Property Damage, Automobile Physical Damage & Contractors Equipment	\$1,000	\$150,000	\$850,000	Ranging From \$25,000 to \$250,000,000
General Liability, Physical Damage, Automobile Liability and Police Professional Liability	None	\$150,000	\$850,000	Excess to \$5,000,000
Crime and Dishonesty	\$1,000	\$ 50,000		Excess to \$950,000
Excess Public Officials Bonds	Varies		\$1,000,000	*
Public Officials Employee Practices Liability	Varies		\$2,000,000	

*The deductible of the Excess Public Official Bond is the amount of any other surety bonds.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 10. Other Post-Retirement Benefits

New Jersey Statutes 40A:10-23 permits municipalities to provide Township paid medical benefits to certain retirees. The Township provides paid medical insurance to eligible police retirees as of January 1, 1992, provided that said employee/retiree has served the Township of Moorestown at least twenty-five (25) years and provided they have not yet attained their 65th birthday and that they annually certify to the satisfaction of the Township Manager that they have no other medical insurance coverage. Supervisory/Tech, Clerical and Public Work Supervisor retirees who have served the Township for at least twenty-five (25) years, are at least 55 years of age but have not yet attained their 65th birthday or Medicare eligibility age are eligible for the Township paid medical insurance effective January 1, 1992. These retirees must annually certify to the satisfaction of the Township Manager that they have no other medical insurance coverage and they must pay 30% of the premium for themselves and any dependents. The coverage provided to eligible retirees is in the same manner and type for permanent full-time employees. Effective January 1, 2003, the Township will continue to provide medical insurance coverage to an eligible retiring Public Works Supervisor employee and his family, provided that the employee is at least 55 years of age, has served the Township at least twenty-five (25) years and contributes 25% of the premium charged. Said coverage shall be provided up to the later of age 65 or Medicare eligibility age providing those eligible annually certify in writing to the satisfaction of the Township Manager that they have no other medical coverage.

The financing for the health benefits for eligible retirees is done on a pay-as-you-go basis. The amount of the benefit expenditures/expenses paid during the 2005 year, net of participant contributions, was \$167,619. The number of participants in the plan was 15.

Note 11. Long-Term Debt

The aggregate maturities of principal and interest of the outstanding bonds are as follows:

General Serial Bonds

	Principal	Interest	Total
2006	\$ 1,790,600	\$ 620,072	\$ 2,410,672
2007	1,802,185	575,058	2,377,243
2008	1,823,815	524,892	2,348,707
2009	1,633,385	471,134	2,104,519
2010	1,592,745	417,514	2,010,259
2011-2015	7,233,080	1,275,309	8,508,389
2016-2018	<u>3,695,000</u>	<u>211,406</u>	<u>3,906,406</u>
Total	<u>\$19,570,810</u>	<u>\$4,095,385</u>	<u>\$23,666,195</u>

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 11. Long-Term Debt (continued):

General Debt – Green Acres Loan

Year	Principal	Interest	Total
2006	\$ 19,986	\$ 3,333	\$ 23,319
2007	20,388	2,931	23,319
2008	20,798	2,521	23,319
2009	21,216	2,103	23,319
2010	21,641	1,676	23,317
2011-2013	<u>67,571</u>	<u>4,062</u>	<u>69,957</u>
Total	<u>\$171,600</u>	<u>\$14,950</u>	<u>\$186,550</u>

Trust Assessment Bonds

Year	Principal	Interest	Total
2006	\$15,000	\$ 2,394	\$17,394
2007	5,000	2,174	7,174
2008	4,100	2,032	6,132
2009	4,100	1,874	5,974
2010	4,100	1,711	5,811
2011-2013	<u>12,360</u>	<u>3,548</u>	<u>15,908</u>
Total	<u>\$44,660</u>	<u>\$13,733</u>	<u>\$58,393</u>

Water and Sewer Utility Bonds

Year	Principal	Interest	Total
2006	\$1,239,400	\$ 337,164	\$1,576,564
2007	1,167,815	286,733	1,454,548
2008	1,072,085	238,814	1,310,899
2009	1,062,515	194,048	1,256,563
2010	1,048,155	148,838	1,196,993
2011-2015	2,394,560	187,810	2,582,370
2016	<u>65,000</u>	<u>1,300</u>	<u>66,300</u>
Total	<u>\$8,049,530</u>	<u>\$1,394,707</u>	<u>\$9,444,237</u>

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 11. Long-Term Debt (continued):

Long-term debt as of December 31, 2005 consists of general obligation serial bonds as follows:

	Date of Issue	Original Issue	Maturities	Interest Rate	Amount
General Capital Fund:					
General Obligation Refunding Bonds Series 1998	9/01/98	426,400	9/01/06 to 9/01/13	4.25% to 4.70%	310,470
Green Acres Loan, Series 1996 Recreation Improvements	12/08/93	375,000	9/08/06 to 9/08/13	2.0%	171,600
General Improvement Bonds Series 2003	4/30/03	14,955,340	5/01/06 to 5/01/18	2.75% to 3.75%	13,395,340
General Obligation Refunding Bonds Series 2003	4/30/03	7,236,600	5/01/06 to 5/01/13	2.00% to 3.50%	<u>5,865,000</u>
Total					<u>\$19,742,410</u>
Trust Assessment Fund:					
General Obligation Bonds, Series 1996 Various Local Improvements	5/01/03	44,660	5/01/06 to 5/01/13	2.75% to 3.50%	\$ 34,660
2003 Refunding Issue	5/01/03	20,000	5/01/06 to 5/01/06	2.00%	<u>10,000</u>
Total					<u>\$ 44,660</u>
Water & Sewer Utility Capital Fund:					
General Obligation Refunding Bonds Series 1998	9/01/98	9,558,600	9/01/06 to 9/01/13	4.25% to 4.70%	\$6,959,530
General Obligation Refunding Bonds Series 2003	4/30/03	1,228,400	5/01/06 to 5/01/16	2.00% to 4.00%	<u>1,090,000</u>
Total					<u>\$8,049,530</u>

A Summary of Municipal Debt is as follows:

	2005	2004	2003
Bonds & Notes Issued:			
General Capital Fund	\$33,497,955	\$36,153,845	\$37,564,051
Trust Assessment Fund	63,739	93,771	140,535

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 11. Long-Term Debt (continued):

A Summary of Municipal Debt is as follows (continued):

	2005	2004	2003
Bonds & Notes Issued (continued):			
Water & Sewer Utility Capital Fund	9,258,894	10,532,654	12,079,004
Water & Sewer Utility Assessment	16,012	19,922	28,808
Bonds & Notes Authorized but not Issued:			
General Capital Fund	5,617,243	1,516,454	223,592
Water & Sewer Utility Capital Fund	<u>552,350</u>	<u>25,750</u>	<u>25,750</u>
 Total Bonds & Notes Issued & Authorized but not Issued	 <u>49,006,193</u>	 <u>48,342,396</u>	 <u>50,043,740</u>
 Less: Funds Temporarily Held to Pay Bonds & Notes:			
Water & Sewer Utility Assessment Cash	194,912	194,187	199,562
Assessment Cash	53,763	63,495	81,421
Reserve for payment of Debt	<u>704,466</u>	<u>621,189</u>	<u>1,089,137</u>
 Total Deductions	 <u>953,141</u>	 <u>878,871</u>	 <u>1,370,120</u>
 Net Bond & Notes Issued & Authorized but not Issued	 <u>\$48,053,052</u>	 <u>\$47,463,525</u>	 <u>\$48,673,620</u>

Note 12. Litigation

Certain claims have been filed against the Township alleging damages and the outcome of these claims is not presently determinable. The claims are either being handled by the Township's insurance carrier or are not financially material to the financial statements.

Note 13. Subsequent Event

In 2006, the Township Council has authorized \$0- of new debt authorization for utility capital improvements and \$204,250 for General Capital Improvements.

TOWNSHIP OF MOORESTOWN

NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2005

Note 14. Housing Trust Fund, Developers Agreement with Toll Brother, Inc. for Low and Moderate-Income Housing Contributions

The Township entered into an agreement with Toll Brothers, Inc., a private developer, for the collection of low and moderate-income housing fees for each certificate of occupancy issued at the Moorestown Hunt and Laurel Creek developments. The fees were collected into a trust fund called Housing Trust Fund I. As of December 31, 2003, all payments for Moorestown Hunt's 252 units had been collected (\$2,591,447.66) and as of December 31, 2002, all payments for Laurel Creek's 457 units have been collected (\$2,828,853.10). The total collected in Housing Trust Fund I was \$5,420,300.76.

The Trust Fund contributions along with interest earnings are dedicated to financing the Township's Low and Moderate-Income Housing Program needed to meet the State of New Jersey's council on Affordable Housing (COAH) requirements.

As of December 31, 2005, the Township had \$447,194 on deposit in the in the dedicated Low and Moderate Income Housing Trust Account. \$100,000 was expended in 2005 for the housing program.

In June 1997, the Township adopted a Mandatory Development Fee Ordinance that established standards for the collection, maintenance and expenditure of development fees for developments approved after June 1997, for the purpose of providing low and moderate-income housing. This ordinance required residential development to pay one half (1/2) of one (1) percent and non residential development to pay one (1) percent of the equalized assessed value of the proposed development.

In February 2005, the Township's Mandatory Development Fee Ordinance was amended to require residential development to pay one (1) percent and nonresidential development to pay two (2) percent of the equalized assessed value of the proposed development.

In 2005, the Township collected \$223,673 in Mandatory Development Fees. The Total amount collected from June 1997, through December 2005, was \$1,361,669.

Note 15. Disclosure for Municipal Open Space Trust Fund

The Township adopted Ordinance No. 1862-98 on August 17, 1998 approving the placement of a public question on the November 3, 1998 general election ballot to obtain voters' sentiment on a proposed tax levy for a period not to exceed four years and at a rate of two-cents per one hundred dollars of assessed real property valuation for 1999 and at a rate of between zero and two-cents per one hundred of assessed real property valuation for each of the next three years for open space, recreation, farmland and historic preservation. The voters approved the tax and the Township Council approved a two-cent levy in each of the years 1999 through 2001.

TOWNSHIP OF MOORESTOWN

**NOTES TO FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 15. Disclosure for Municipal Open Space Trust Fund (continued):

On August 23, 2001, the Township Council adopted Ordinance No. 1970-01 approving the placement of a public question on the November 6, 2001 general election ballot to obtain voters' sentiments to amend and supercede Ordinance No. 1862-98 by increasing the open space tax levy commencing with year four of the program from a rate of between zero and two-cents per one hundred dollars of assessed real property valuation to a rate of six-cents per one hundred dollars of assessed real property valuation for 2002, and extending the sunset provision of the program another six years through 2008, at a rate between two-cents and six-cents per one hundred dollars of assessed real property valuation for each of those next six years, for the purpose stated above in the original ballot. Again the voters approved the additional tax levy.

The Township has generated \$8,025,740 in tax revenue, interest income and other sources from 1999 through 2005. The Township has incurred \$10,994,870 in program expenditures through December 2005. The major portion of these expenditures is financed through general capital bond ordinances, which are serviced by the Open Space Trust Fund. The Township also participates in the Burlington County Open Space Program, which provides up to 25% matching funds for approved projects and the State of New Jersey Green Acres Program, which provides up to 50% matching fund for approved projects. To date, the Township has preserved 286.5 acres for open space or farmland through this program.

Note 16. Interfunds

The following interfunds remained as of December 31, 2005:

Fund	Due From	Due To
Current Fund	\$ 472	\$170,917
State/Federal Grant Fund	122,981	
Trust Other	31,697	
Trust Assessment	10,817	12,333
Dog License Fund	305	
General Capital	737	
Public Assistance	493	
Payroll Fund		472
Utility Operating	8,539	360
Utility Assessment	12,333	4,652
Utility Capital	<u>360</u>	<u> </u>
Total	<u>\$188,734</u>	<u>\$188,734</u>

The purpose of these interfunds is short-term borrowings.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	CURRENT	STATE AND FEDERAL GRANTS
Balance December 31, 2004	\$16,029,629	
Increased by Receipts:		
Taxes Receivable	\$78,926,555	
Prepaid Taxes	558,524	
Tax Overpayments	194,400	
Revenue Accounts Receivable	5,680,386	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	213,494	
Due to State of New Jersey:		
Inspection Fees	46,693	
Marriage License Fees	1,925	
Due Trust - Assessment Fund:		
Collection of Current Year Revenue	26,008	
Petty Cash	468	
Due Trust - Other Funds	679,648	
Due General Capital Fund	140,345	
Due Utility Operating	3,887	
Due Payroll Fund	9,662	
Refunds to Appropriations	138,882	
Reserve for State & Federal Grants:		
Unappropriated		7,638
State Grants Receivable		202,629
Due From State & Federal Grants	72,934	
Total Receipts	86,693,811	210,267
Subtotal	102,723,440	210,267

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	CURRENT	STATE AND FEDERAL GRANTS
Decreased by Disbursements:		
2005 Appropriations	17,797,169	
2004 Reserved Appropriations	916,393	
Tax Overpayments	41,872	
County Taxes	14,294,265	
Special District Taxes	3,083,050	
Local District School Tax	50,066,965	
Due to State of New Jersey	31,829	
Petty Cash	450	
Due Payroll Fund	959	
Due Assessment Fund	19,651	
Due Trust - Other Funds	608,965	
Prior Year Refund	683	
Accounts Payable	6,611	
Due From State & Federal Grants		72,934
Reserve for Appropriated Grants		137,333
Total Disbursements	86,868,862	210,267
Balance December 31, 2005	\$15,854,578	

**STATEMENT OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Tax Collector	\$200
Township Clerk	50
Violations Clerk	100
Recreation Director	75
Police	50
	50
Balance December 31, 2005	\$475

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2005**

YEAR	BALANCE DECEMBER 31, 2004	2005 LEVY	ADDED TAXES	COLLECTED 2004	2005	DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	TRANSFER TO TITLE LIENS CANCELED	BALANCE DECEMBER 31, 2005
2003	\$2,883				1,622				1,261
2004	723,160			725,636	(9,839)	820	6,543		
Total	726,043			727,258	(9,839)	820	6,543		1,261
2005		80,032,281		645,137	78,199,297	221,250	125,470	35,534	172,981
Total	\$726,043	80,032,281		645,137	78,926,555	211,411	126,290	35,534	179,524
									633,873

ANALYSIS OF 2005 PROPERTY TAX LEVY

General Purpose Tax	\$77,105,499
Fire District Tax	1,925,035
Added & Omitted Taxes (54:4-6 et seq)	1,001,747
Total	\$80,032,281
TAX LEVY:	
District School Tax	\$51,361,867
County Taxes	\$14,074,130
Due County for Added & Omitted Taxes	182,186
Special District Taxes	14,256,316
Municipal Open Space	1,917,437
Local Tax for Municipal Purposes	1,165,613
Add: Additional Taxes Levied	10,500,920
Total	11,331,048
Total	\$80,032,281

EXHIBIT A-7

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
STATEMENT OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$546,998
Increased by:		
Transfers From Taxes Receivable	\$35,534	
Interest, Costs & Penalties	288	35,822
		<hr/>
Balance December 31, 2005		<u><u>\$582,820</u></u>

EXHIBIT A-8

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$296,800
Increased by:		
Gain on Sale of Land		<hr/> 408,500
Subtotal		705,300
Decreased by:		
Sale of Land		<hr/> 604,000
Balance December 31, 2005		<u><u>\$101,300</u></u>

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	ACCRUED IN 2005	COLLECTED	BALANCE DECEMBER 31, 2005
Miscellaneous Revenue Anticipated:				
Licenses - Other		5,131	5,131	
Fees & Permits - Other		77,444	77,444	
Fines & Cost Municipal Court	\$22,093	275,024	279,511	17,606
Interest & Costs on Taxes		208,129	208,129	
Parking Meters		25,053	25,053	
Interest Earned on Investments		758,139	758,139	
Garden State Preservation Trust		91	91	
Recreation Fees		66,887	66,887	
Police Accident Report Fees		6,455	6,455	
Special Police Service Charges		108,903	108,903	
Street Opening Permits		3,575	3,575	
Cable Television Fees		63,049	63,049	
Consolidate Municipal Property Tax				
Relief Aid		1,010,859	1,010,859	
Energy Receipts Tax		1,378,650	1,378,650	
Supplemental Energy Receipt Taxes		70,148	70,148	
Energy Receipts Tax:				
Public Service Electric & Gas		234,888	234,888	
Legislative Initiative Block Grant		74,566	74,566	
Homeland Security Aid		70,000	70,000	
Fees & Permits - Construction Code				
Official		267,412	267,412	
Utility Fund Reimbursement		199,500	199,500	
Reserve for Housing Trust		100,000	100,000	
Anticipated General Capital Surplus		75,000	75,000	
Reserve for Payment of Notes		96,197	96,197	
Reserve for Payment of Debt		200,000	200,000	
Total Anticipated Revenues	22,093	5,375,100	5,379,587	17,606
Nonbudget Revenues:				
False Alarm Revenue		3,200	3,200	
Payments in Lieu of Tax:				
Other		2,000	2,000	
Developer Application Fees		7,800	7,800	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	ACCRUED IN 2005	COLLECTED	BALANCE DECEMBER 31, 2005
Nonbudget Revenues (continued):				
Miscellaneous - Treasurer		5,426	5,426	
Miscellaneous - Tax Collector		2,050	2,050	
Miscellaneous - Zoning		1,270	1,270	
Land Sale		234,000	234,000	
OPRA - Fees		6,429	6,429	
Photo Copies		895	895	
Planning and Zoning Maps		300	300	
Reimbursement for Library		25,000	25,000	
Interest & Costs on Assessment Liens		2,039	2,039	
Peddle/Solicitor Permits		300	300	
Towing Fees		720	720	
Demolition Fee		7,475	7,475	
Motor Vehicle Inspection Fees		1,360	1,360	
Tower Rents		29,258	29,258	
State of NJ 2% Administration Fee		4,270	4,270	
Reimbursement for Salt & Sand		28,599	28,599	
MEND Rent in Lieu of Taxes		6,434	6,434	
Sale of Assets		4,160	4,160	
Joint Insurance Fund Dividend		90,019	90,019	
Payroll Levy Processing Fee		193	193	
Fee Development Agreement		1,242	1,242	
Refund for Year End Expenditures		2,239	2,239	
		<hr/>	<hr/>	
Total Nonbudget Revenue		466,678	466,678	
		<hr/>	<hr/>	
Total Revenue Accounts Receivable	\$22,093	5,841,778	5,846,265	17,606
		<hr/> <hr/>	<hr/> <hr/>	

Cash Receipts	\$5,680,386
Refund	(390)
Interfunds	166,269
	<hr/>
Total	<u>\$5,846,265</u>

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF 2004 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages:				
Public Safety Functions:				
Police	\$168,366	168,366	40,743	127,623
Other Expenses:				
General Government:				
General Administration	11,432	11,432	5,736	5,696
Human Resources	540	540	540	
Municipal Clerk	5,425	5,425	901	4,524
Department of Finance:				
Office of the Controller	11,605	11,605	10,695	910
Legal Services & Costs	13,543	13,543	9,621	3,922
Engineering Services & Costs	16,465	16,465	4,097	12,368
Land Use Administration:				
Planning Board	7,621	7,621	2,092	5,529
Zoning Board of Adjustment	9,299	9,299	772	8,527
Insurance:				
Group Insurance for Employees	7,498	7,498	70	7,428
Unemployment Compensation	2,053	2,053	98	1,955
Public Safety Functions:				
Police	33,125	33,125	31,757	1,368
Public Works Functions:				
Office of the Director	7,843	7,843	2,476	5,367
Road Repairs & Maintenance	123,294	123,294	76,622	46,672
Buildings & Grounds - Other	60,612	60,612	51,431	9,181
Shade Tree	85,511	85,511	80,061	5,450
Maintenance of Motor Vehicles	13,188	13,188	10,311	2,877
Solid Waste Disposal				
Other Expenses	516,436	516,436	504,412	12,024
Health & Human Services				
Environmental Advisory Committee	8,355	8,355	6,810	1,545
Contributions to Social Services	1,240	1,240	480	760
Parks & Recreation:				
Recreation Services & Programs	479	479	444	35
Parks & Playgrounds	3,150	3,150	3,150	
Strawbridge Lake Park Maintenance	1,200	1,200	1,200	
Utility Expenses & Bulk Purchases:				
Electricity	23,324	23,324	8,172	15,152
Street Lighting	35,140	35,140	20,007	15,133
Telephone Expenses	14,653	14,653	3,357	11,296
Gas (Natural/Propane)	35,026	35,026	10,463	24,563
Gasoline	16,248	16,248	13,760	2,488
Uniform Construction Code:				
Other Expenses	50	50	50	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF 2004 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Municipal Court:				
Other Expenses	747	747	508	239
Condominium Services				
Reimbursement	40,000	40,000	31,673	8,327
Sick Sell Back	18,000	18,000	14,513	3,487
Capital Outlay	3,585	3,585	3,075	510
All Other - No Changes	311,631	311,631		311,631
	<hr/>			
Total	\$1,606,684	1,606,684	950,097	656,587
	<hr/> <hr/>			

2004 Appropriation Reserves	\$748,056
2004 Encumbrances	858,628
	<hr/>
Total	\$1,606,684
	<hr/> <hr/>

Cash Disbursed	\$916,393
Accounts Payable	33,704
	<hr/>
Total	\$950,097
	<hr/> <hr/>

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004:		
School Tax Payable	\$8,259,023	
School Tax Deferred	<u>16,126,999</u>	\$24,386,022
Increased by:		
Fiscal Year Levy - 2005 to 2006		<u>51,361,867</u>
Subtotal		75,747,889
Decreased by:		
Cash Disbursements		50,066,965
Balance December 31, 2005:		
School Tax Payable	7,553,925	
School Tax Deferred	<u>18,126,999</u>	
Total		<u><u>\$25,680,924</u></u>
Local District School Tax Liability:		
Cash Payments		\$50,066,965
School Tax Payable December 31, 2005		<u>7,553,925</u>
Total		57,620,890
School Tax Payable December 31, 2004		<u>8,259,023</u>
Amount Charged to Operations		<u><u>\$49,361,867</u></u>

**TOWNSHIP OF MOORESTOWN
FEDERAL AND STATE GRANT FUND
STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	REVENUE	RECEIVED	CANCELLED	BALANCE DECEMBER 31, 2005
State Grant Awards:					
Recycling Tonnage Grant		4,414	4,414		
Drunk Driving Enforcement Fund		18,335	18,335		
Clean Communities Program		21,001	21,001		
Safe & Secure Communities		60,000	60,000		
Click-it or Ticket Grant		3,249	3,249		
Buckle Up South Jersey		2,000			2,000
Community Forestry Grant	\$2,000				2,000
Municipal Drug Alliance Grant	13,820	15,800	13,704	116	15,800
Green Communities Grant	1,800		1,800		
NJDEP Environmental Services Program	2,500				2,500
NJDEP Stormwater Regulation Program	3,007				3,007
Body Armor Replacement Fund	3,609	3,631	3,631		3,609
Total State Grants	26,736	128,430	126,134	116	28,916
Private Grants:					
Best Place to Live Grant		100,000	100,000		
Total Private Grants		100,000	100,000		
Federal Grant Awards:					
Vest Partnership Grant	4,659				4,659
Total Federal Grants	4,659				4,659
Total	\$31,395	228,430	226,134	116	33,575

Cash	\$202,629
Transferred from Unappropriated Reserves	23,505
Total	\$226,134

**TOWNSHIP OF MOORESTOWN
FEDERAL AND STATE GRANT FUND
STATEMENT OF RESERVES FOR STATE AND FEDERAL GRANTS
AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	BUDGET	EXPENDED	CANCELLED	BALANCE DECEMBER 31, 2005
State Grants:					
Drunk Driving Enforcement Grant	\$10,235	18,335	12,497		16,073
Recycling Tonnage	6,663	4,414	120		10,957
New Jersey Hazardous Discharge Grant	560		560		
Clean Communities Program		21,001	21,001		
Safe & Secure Communities	6,250	60,000	60,000		6,250
Community Forestry Grant	2,000		116		1,884
Municipal Drug Alliance Grant	117	15,800	15,788	129	
Click-it or Ticket Grant		3,249	3,249		
Buckle Up South Jersey		2,000	2,000		
NJDEP Environmental Services Program	2,500		2,500		
NJDEP Stormwater Regulation Program	680		680		
Body Armor Replacement Fund		3,631	3,631		
Total State Grants	29,005	128,430	122,142	129	35,164
Township Matching Funds/Local Grants:					
Municipal Drug Alliance Grant	29	3,950	3,946	33	
Vest Partnership Grant	37				37
Defibrillator Grant	1,500				1,500
Best Place to Live Grant		100,000	63,367		36,633
NJDEP Environmental Services Program	2,500		2,500		
Total Matching Funds	4,066	103,950	69,813	33	38,170
Total	\$33,071	232,380	191,955	162	73,334

Cash Disbursed	\$137,333
Encumbrances Reclassified	(20,962)
Encumbrances 2005	75,584
Total	\$191,955

**TOWNSHIP OF MOORESTOWN
FEDERAL AND STATE GRANT FUND
STATEMENT OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2005**

GRANT	BALANCE DECEMBER 31, 2004	TRANSFERRED TO 2005 GRANT APPROPRIATED	RECEIVED	BALANCE DECEMBER 31, 2005
State Grants:				
Recycling Tonnage Grant	\$4,414	4,414	3,293	3,293
Clean Communities Grant	756	756	779	779
Drunk Driving Enforcement Fund	18,335	18,335		
Alcohol Education & Enforcement			57	57
Body Armor Replacement Fund			3,509	3,509
			<hr/>	<hr/>
Total Grants	\$23,505	23,505	7,638	7,638
			<hr/> <hr/>	<hr/> <hr/>

TRUST FUND

EXHIBIT B-1

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
STATEMENT OF FUND BALANCE (STATUTORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2005 & 2004

\$9,247

**TOWNSHIP OF MOORESTOWN
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>TRUST ASSESSMENT</u>	<u>DOG LICENSE</u>	<u>TRUST OTHER</u>
Balance December 31, 2004	\$63,495	13,606	5,437,822
Increased by Receipts:			
Due Township Clerk Assessments Receivable	\$20,300	6,223	
Due Interfunds:			
Current Fund		471	651,544
Reserve for:			
Developers Escrow			642,084
Performance Escrow			279,445
Landfill Closure			4
Confiscated Funds			36
Special Law Enforcement Fund			880
Tax Title Lien Redemption			462,809
Unemployment Compensation			6,046
Uniform Construction Code - Third Party Inspection Fees			106,145
Health Benefit Premiums & Self-Insurance			2,212,601
Moorestown Library Insurance Deposits			79,132
Tax Sale Premium			73,695
Recreation Improvements			5,599
Recreation Programs			61,395
Low & Moderate Housing Trust Fund			265,656
Teleport Aesthetic Fee			9,400
Developer Agreement			62,079
Open Space Trust			3,091,533
Renaissance Fund			2,300
Tree Remembrance Fund			979
POAA			171
Sidewalk Repairs			2,400
Accumulated Leave Fund			40,218
Total Increases	<u>20,300</u>	<u>6,694</u>	<u>8,056,151</u>
Total Increases & Balances	<u>83,795</u>	<u>20,300</u>	<u>13,493,973</u>

**TOWNSHIP OF MOORESTOWN
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>TRUST ASSESSMENT</u>	<u>DOG LICENSE</u>	<u>TRUST OTHER</u>
Decreased by Disbursements:			
Dog Fund Expenditures		7,211	
Due Current Fund:			
Interfunds Liquidated			83,637
Serial Bonds/Notes Payable	30,032		
Reserve for:			
Developers Escrow			649,160
Performance Escrow			480,767
Open Space Trust			1,967,991
Tax Title Lien Redemption			462,781
Uniform Construction Code - Third Party Inspection Fees			490,831
Health Benefit Premiums & Self-Insurance			2,208,486
Moorestown Library Insurance			
Deposits			79,132
Landfill Closure			2,255
Recreation Programs			53,181
Renaissance Fund			6,836
Tree Remeberance			1,200
Accumulated Leave			32,821
Tax Sale Premium			291,457
Reserve for Encumbrances			16,390
Developers Agreement			62,079
Low & Moderate Housing Trust Fund			100,000
Total Disbursements	<u>30,032</u>	<u>7,211</u>	<u>6,989,004</u>
Balance December 31, 2005	<u><u>\$53,763</u></u>	<u><u>13,089</u></u>	<u><u>6,504,969</u></u>

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
ANALYSIS OF ASSESSMENT CASH
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	TRANSFER	ASSESSMENTS RECEIVABLE	ASSESSMENT BOND/NOTE PAYMENTS	MISCELLANEOUS	BALANCE DECEMBER 31, 2005
Fund Balance	\$9,246					9,246
Reserve for Future Assessments	1,495					1,495
Due From Current Fund	(5,109)	(26,008)	20,300			(10,817)
Due From Utility Assessment Fund		12,333				12,333
ORDINANCE	IMPROVEMENT DESCRIPTION					
1451/1485/1496	Fairview & Kenilworth Avenues					(1,996)
1452/1484/1495	Poplar Avenue					2,914
1455	South Lincoln Avenue					(6,130)
1536	Pine Street					4,946
1549/1578	Villa & Revere Avenues & Beacon Street					(33,549)
1586/1614	Chestnut Street					11,999
1590/1618	Lincoln, Garfield & Wilson Avenues					7,333
1636/1663	Reconstruction of Ivy & Regenhart Avenues			2,500		9,229
1635/1662	Reconstruction of Stanley Avenue			2,500		5,772
1687/1708	Reconstruction of Claypoole Avenue	82		2,500		9,371
1689/1709	Reconstruction of Parker, Fairview & Collins Avenues	173		2,500		4,826
1729	Reconstruction of East 3rd, Linden, Central, Oak, Elm & Jelly Avenues	472		5,348		7,987
1811	Reconstruction of Perry Avenue	712		387		289
1836	Reconstruction of Cooper Avenue					(100)

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
ANALYSIS OF ASSESSMENT CASH
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2004	TRANSFER	ASSESSMENTS RECEIVABLE	ASSESSMENT BOND/NOTE PAYMENTS	MISCELLANEOUS	BALANCE DECEMBER 31, 2005
1881	Reconstruction of East 3rd Phase IV	(15,456)	1,109				(14,347)
1888	Reconstruction of Lippincott Avenue	12,817	420		214		13,023
1900	Reconstruction of Mill Street	4,490	958		4,490		958
1901	Reconstruction of Lorraine Avenue	1,137	1,929		1,136		1,930
1945	Reconstruction of Browning/North Church	11,111	2,335		5,000		8,446
1925	Reconstruction of Walker/North Church	5,951	1,148				7,099
1933	Reconstruction of Main, W. Second Streets, W Third & Locust	9,826	559				10,385
1993	Reconstruction of West Harris Avenue & Washington S. Church & Washington	1,640	2,016		3,457		199
2003	Reconstruction of Washington & Central Ave. W. Maple & W. Oak	3,456	1,762				5,218
Total		\$63,495		20,300	30,032		53,763

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2004	COLLECTIONS	ADJUSTMENTS CANCELLATIONS	BALANCE DECEMBER 31, ASSESSMENT 2005	BALANCE PLEGGED TO BONDS	BALANCE PLEGGED TO ASSESSMENT
							NOTES
1687/1708	Reconstruction of Claypoole Avenue	82	82				
1689/1709	Reconstruction of Parker, Fairview & Collins Avenues	173	173				
1729	Reconstruction of E 3rd, Linden, Central, Oak, Elm & Zelly Avenues	2,317	472		1,845	1,845	1,845
1811	Reconstruction of Perry Avenue	1,224	712		512	512	512
1881	Reconstruction of East 3rd Phase IV	2,392	1,109		1,283	1,283	1,283
1888	Reconstruction of Lippincott Avenue	2,639	420		2,219	2,219	2,219
1900	Reconstruction of Mill Street	5,209	958		4,251	4,251	4,251
1901	Reconstruction of Lorraine Avenue	3,774	1,929		1,845	1,845	1,845
1945	Reconstruction of Browning/N. Church	3,529	2,335		1,194	1,194	1,194
1925	Reconstruction of Walker/N. Church	2,989	1,148		1,841	1,841	1,841
1933	Reconstruction of West Third, Locust, West Main & West Second Streets	3,947	559		3,388	3,388	3,388
1993	Reconstruction of South Church, Washington & West Harris Avenues	5,666	2,016		3,650	3,650	3,650
2003	Reconstruction of W. Maple, W. Oak, Washington & Central Avenues	2,292	1,762		530	530	530
	Total	\$36,233	13,675		22,558	10,073	12,485

**TOWNSHIP OF MOORESTOWN
TAX ASSESSMENT FUND
STATEMENT OF ASSESSMENT LIENS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2005	BALANCE PLEGDED TO RESERVE
262	Lenola Road - Curbs & Gutters	<u>\$287</u>	<u>287</u>

**TRUST FUND - DOG LICENSE FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$14,376
Increased by:		
Dog License Fees	\$5,614	
Miscellaneous Other Fees	<u>586</u>	6,200
Subtotal		20,576
Decreased by:		
Expenditures (R.S.4:19-15.11)		<u>7,211</u>
Balance December 31, 2005		<u><u>\$13,365</u></u>

LICENSE FEES COLLECTED

2004	\$6,804
2003	<u>7,445</u>
Total	<u><u>\$14,249</u></u>

**TOWNSHIP OF MOORESTOWN
DOG LICENSE FUND
SCHEDULE OF DUE FROM TOWNSHIP CLERK
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		(\$29)
Increased by:		
Dog License Fees	\$5,614	
Miscellaneous Fees	586	
State Licenses	1,474	7,674
Subtotal		7,645
Decreased by Cash Payments:		
Moorestown Treasurer	6,200	
State Licenses Remitted	1,474	7,674
Balance December 31, 2005		<u><u>(\$29)</u></u>

**TRUST FUND - OTHER
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		(\$5,018)
Increased by:		
Interfund Creation	\$83,638	
UCC Fees Due From Current	604,620	688,258
Subtotal		683,240
Decreased by:		
Interest Earnings	58,968	
UCC Fees Due From Current	592,575	651,543
Balance December 31, 2005		<u><u>\$31,697</u></u>

**TRUST ASSESSMENT FUND
STATEMENT OF RESERVE FOR ASSESSMENTS AND LIENS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2005
Assessment Liens:		
262	Lenola Road	\$287
1811	Reconstruction of Perry Avenue	172
1836	Reconstruction of Cooper Avenue	152
	Total	<u><u>\$611</u></u>

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS BONDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITY OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2004	ISSUED	REFUNDED	BOND MATURITIES	BALANCE DECEMBER 31, 2005
			DECEMBER 31, 2005	AMOUNT						
Reconstruction of Browning Avenue, Harris Avenue, Locust Street & Walker Avenue	05/01/2003	\$44,660		\$5,000	2.75%					
				5,000	3.00%					
				4,100	3.50%					
				4,100	3.50%					
				4,100	3.50%					
				4,100	3.50%					
				4,100	3.50%					
				4,100	3.50%					
				4,160	3.50%		\$39,660		5,000	34,660
2003 Refunding Issue: Reconstruction of Ivy, Regenhard, Stanley, Claypoole, Parker, Fairview & Collins Avenues	05/01/2003	20,000		10,000	2.00%	20,000			10,000	10,000
						\$59,660		15,000	44,660	
Total										

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	Maturity of Notes Outstanding DATE	AMOUNT	INTEREST RATE	BALANCE	ISSUES PAID	BALANCE
						DECEMBER 31, 2004		DECEMBER 31, 2005
Reconstruction of East Third Street, Linden Street, Central, Oak, Elm & Zelly Avenue	9/4/1997	\$105,000	5/27/2005	\$24,177	3.00%	\$10,022	5,348	4,674
Reconstruction of Perry Avenue	9/4/1997	10,000	5/27/2005	3,137	3.00%	1,340	387	953
Reconstruction Lippincott Avenue	5/29/2002	4,221	5/27/2005	4,221	3.00%	2,392	214	2,178
Reconstruction Lorraine Avenue	5/29/2002	13,074	5/27/2005	13,074	3.00%	4,911	1,136	3,775
Reconstruction Mill Street	5/29/2002	14,919	5/27/2005	14,919	3.00%	9,699	4,490	5,209
Reconstruction North Washington Avenue	5/29/2003	11,629	5/27/2005	11,629	3.00%	5,747	3,457	2,290
Total						\$34,111	15,032	19,079

EXHIBIT B-12

**TOWNSHIP OF MOORESTOWN
DOG LICENSE FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$ -
Increased by:	
Dog License Fees Collected:	
State Share	<u>1,474</u>
Subtotal	1,474
Decreased by:	
Payments	<u>1,474</u>
Balance December 31, 2005	<u><u>\$ -</u></u>

EXHIBIT B-13

**SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$776
Decreased by:	
Interest Earnings	<u>471</u>
Balance December 31, 2005	<u><u>\$305</u></u>

**TOWNSHIP OF MOORESTOWN
TRUST FUND - OTHER
STATEMENT OF MISCELLANEOUS TRUST RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	INCREASED BY			DECREASED BY			BALANCE DECEMBER 31, 2005
		RECEIPTS	INTEREST EARNINGS	OTHER	DISBURSEMENTS	ANTICIPATED AS REVENUE	OTHER	
Confiscated Funds	\$1,391		36					1,427
Developers Escrow	428,760	638,257	3,827		649,160			421,684
Performance Escrow	2,082,179	279,445			480,767			1,880,857
Special Law Enforcement	1,915	742	138					2,795
Library Insurance & Pension		79,132				79,132		
Community Alliance for Substance Abuse	9,750							9,750
Recreation Improvements	14,742	5,599						20,341
Recreation Programs	16,283	60,471	924		53,181			24,497
Tree Replacement Fund	39,240							39,240
POAA	114	172						286
Sidewalk Repairs		2,400						2,400
Teleport Aesthetic Fee	57,000	9,400						66,400
Renaissance Fund	81,012		2,300		6,836			76,476
South Lenola Road	9,765							9,765
Developer Agreements		62,079			62,079			
Third Party Inspections	198,668	99,071	7,074	604,620	490,831			418,602
Unemployment Compensation	192,324		6,046					198,370
Tax Title Lien Redemption	3,472	462,782	27		462,781			3,500
Landfill Closure	2,249		4				2,253	
Health Benefits & Self-Insurance	21,933	2,212,601			2,208,486			26,048
Premium Received on Tax Sale	228,830	308,677	2,336		528,775			11,068
Low & Moderate Housing Trust	305,445	255,222	10,434		100,000			471,101
Open Space Trust	1,552,827	3,033,362	58,171		1,967,991			2,676,369
Tree Remembrance Fund	1,237	950	29		1,200.00			1,016
Accumulated Leave Fund	167,277	40,000	218		32,821			174,674
Total	\$5,416,413	7,550,362	91,564	604,620	7,124,040	2,253	6,536,666	

GENERAL CAPITAL FUND

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - (STATUTORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$170,136
Increased By:	
Premium on Notes & Bonds	<u>132,235</u>
Subtotal	302,371
Decreased By:	
Anticipated Surplus - Current Fund	<u>75,000</u>
Balance December 31, 2005	<u><u>\$227,371</u></u>

**SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$2,882,971
Increased by:		
Premium on Note Sale	\$132,235	
Bond Anticipation Notes Issued	4,108,942	
Current Fund Budget Appropriation:		
Capital Improvement Fund	277,500	
Deferred Charges Raised	4,102	
Miscellaneous	20,000	
Refunds of Improvement Authorization Expenditures	558	
Interfund Utility Fund	171,765	
Reserve for the Payment of bonds & Notes	479,473	
Insurance Proceeds	63,795	
Interest Earned Due Current Fund	<u>120,516</u>	5,378,886
Subtotal		8,261,857
Decreased by:		
Improvement Authorizations	2,802,170	
Bond Anticipation Notes Redeemed	2,628,803	
Current Fund Budget Revenue	371,197	
Due Current Fund	140,345	
Interfund Utility Fund	<u>171,765</u>	6,114,280
Balance December 31, 2005		<u><u>\$2,147,577</u></u>

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2005**

	BALANCE (OVERDRAFT) DECEMBER 31, 2004	RECEIPTS		DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2005
		BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	
Fund Balance	\$170,136		132,235		75,000	227,371
Capital Improvement Fund	39,576		277,500			22,601
Due Current Fund	(908)		140,516		140,345	(737)
Due Water and Sewer Utility Fund			171,165		171,165	
Reserve for Payment of Debt Service	510,657		479,473		296,197	693,933
Miscellaneous	1					1
ORDINANCE IMPROVEMENT NUMBER AUTHORIZATIONS						
1782/1790/1834 Improvements to 1849/1889/1909 Strawbridge Lake	47,367					47,367
1829 Repair & Resurface of Various Streets Other Paved Areas	1					1
1876 Purchase & Implementation of LAN Computer Network	3,995			451		3,544
1877 Purchase of Telephone System	4,197			451		3,746
1878 Purchase of Library Automation System	3,425			451		2,974
1894 1999 Road Program 1895/1927 Upgrade & Replacement of HVAC Systems	34,847					34,847
1897 Aesthetic Impact Fees	3,300					3,300

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	BALANCE (OVERDRAFT) DECEMBER 31, 2004	RECEIPTS			DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2005
			IMPROVEMENT AUTHORIZATIONS	BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT	MISCELLANEOUS	
1904/1943	Town Center Street Scape	50,082				4,365		45,717
1910	Reconstruction of Locust Street	16,541						16,541
1919/1976 1996	Construction of Skate Board Facility Wesley Bishop Improvements	17,339				451		16,888
1938	Various Improvements Municipal Building	41,079						41,079
1942	Regional Contribution Agreements	7,654				451		7,203
1945	Reconstruction of Browning Avenue	2,498						2,498
1947	Reconstruction of East Third Street	3,431				1,493		1,938
1951/1989	Engineering & Landscape Architectural Services Phase II Main Street & Construction	(2,848)			2,848	8,451		(8,451)
1956	Strawbridge Lake Dredging & Dam Repair - Lower Basin	47,978				26,583		21,395

TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2005

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	BALANCE (OVERDRAFT) DECEMBER 31, 2004	RECEIPTS			DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2005
			BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	TRANSFERS FROM TO	
1968	Regional Contribution Agreements	7,660			451		7,209	
1969	Open Space Preservation	19,429			706		18,723	
1973/1993	Reconstruction of Harris Avenue	(1,254)		1,254				
1974/2001	Reconstruction of North Washington Avenue	7,855			451		7,404	
1975	Preliminary Expenses Lippincott Avenue Drainage	14,274			1,551		12,723	
7-2003	Purchase of Various Public Works Heavy Equipment							
1992	2002 Road Resurfacing Program	7,759					7,759	
2004-02	Preliminary Expenses Reconstruction East 3rd Street - Phase VI	264,585			160,595		103,990	
2010-02	Installation of Elevator - North Church Street Recreation Center	6,225			451		5,774	
2011-02	Installation of Security System, Implementation of Communications System & Purchase of Police Equipment	71,335			26,385		44,950	
2020	Preliminary Expenses Reconstruction Snyder Place	11,960			3,150		8,810	
2021-02/	Preliminary Expenses Reconstruction of Haines Drive	210,170			120,585		89,585	
11-2004	Purchase of Public Works Equipment	2,827			451		2,376	
8-2003	Acquisition of Open Space Lenola Drainage Project	16,708			450		16,258	
19-2003	Jeff Young Basketball Court	5,705			451		5,254	
20-2003		14,748			5,094		9,654	
25-2003	2003 Road Resurfacing Preliminary Expenses	48,655			27,041		21,614	
26-2003								
31-2003	Hollingshead Property Clean-up	18,342		558	14,419		4,481	

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
ANALYSIS OF CASH AT DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	RECEIPTS		DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2005
		BOND ANTICIPATION NOTES/BONDS	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	
		BALANCE (OVERDRAFT) DECEMBER 31, 2004				
33-2003/ 16-2005	Preliminary Expenses Haines Mill Road	8,964		190,891		(190,891)
34-2003/ 1-2005	Preliminary Expenses Parks Bathrooms	21,619	172,000	170,212		20,464
6-2004	Preliminary Expenses Locust Street Park	12,678		5,142		33,907
12-2004	Borton's Landing Road Bikeway	85,986		72,685		7,536
13-2004	Improvements to Public Works Building & Grounds	123,135		98,011		13,301
14-2004/ 17-2005	Improvements to Jeff Young Park Tennis Courts & Hockey Rink	188,599		148,722		25,124
15-2004/ 27-2004	Preliminary Expenses Wesley Bishop Park	63,923	778,014	616,910		41,017
16-2004	Purchase of Various Public Works Vehicles	521,569		461,240		225,027
17-2004	Preliminary Expenses West Moorestown Streetscape	22,487		951		60,329
19-2004	Purchase of Technology Upgrades	79,180		52,417		21,536
24-2004	Road Resurfacing for 2004	16,250	300,000	286,565		26,763
25-2004	Document Management System	11,250				29,685
4-2005	Reconstruction of Pearl Street		230,125	179,838		11,250
15-2005	Main Street Resurfacing Project			19,045		62,662
19-2005	Renovations of Municipal Library			86,550		(5,645)
21-2005	Reconstruction of E. Wilson Avenue			7,613		88,700
27-2005	Purchase of Public Works Vehicles		63,795			19,637
36-2005	2005 Road Improvements					15,060
37-2005	2005 Technology Upgrades					13,250
38-2005	Renovations to Municipal Building					8,750
39-2005	Reconstruction to Stanwick Road					5,000
	Total	\$2,882,971	1,480,139	2,802,170	682,707	2,147,577
			1,269,344	294,475	294,475	

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2004	INCREASED BY IMPROVEMENT AUTHORIZATIONS	PAYMENT OF OF BOND ANTICIPATION NOTES	DEFERRED CHARGES PAID /CANCEL 2005	BALANCE DECEMBER 31, 2005	ANALYSIS OF BALANCE		
							BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
1876	Purchase & Implementation of LAN Computer Net	\$95,000		20,000		75,000	75,000		
1877	Purchase of Telephone System	95,000		20,000		75,000	75,000		
1878	Purchase of Library Automation System	91,057		20,000		71,057	71,057		
1919/1976/1996	Construction of Skate Board Facility/Wesley Bishop	177,125		15,000		162,125	162,125		
1942	Park Improvements	749,800		60,000		689,800	689,800		
1951/1989	Engineering & Landscape Architectural Services	69,950		10,000	2,848	57,102	20,000	13,452	23,650
1968	Phase II Main Street Regional Contribution	1,360,000		60,000		1,300,000	1,300,000		
1969	Open Space Preservation	6,220,000		1,650,000		4,570,000	4,570,000		
1973/1993	Preliminary Expenses Harris Avenue				1,254				
1974/2003	Reconstruction Preliminary Expenses Washington Avenue	1,254							
7-2003	Reconstruction Lippincott Avenue	218,370		25,000		193,370	193,370		
1994	Drainage 2002 Road Resurfacing Program	370,750		25,000		345,750	340,000		5,750
9-2003	Reconstruction East 3rd Street Phase VI	659,750		20,000		639,750	639,750		
2010/10-2003	Installation of Elevator - North Church Street Recreation Center	249,000		11,000		238,000	204,500		33,500

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2004	INCREASED BY IMPROVEMENT AUTHORIZATIONS	PAYMENT OF ANTICIPATION NOTES	DEFERRED CHARGES PAID /CANCEL 2005	BALANCE DECEMBER 31, 2005	ANALYSIS OF BALANCE		
							BOND ANTICIPATION NOTES	BOND NOTES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
2011	Installation of Security System, Implementation of Communications System & Purchase of Police Equipment	94,750		10,000		84,750	84,750		
2020/ 21-2003	Preliminary Expenses Reconstruction Snyder Place	166,000		10,000		156,000	126,000		30,000
2021	Preliminary Expenses Reconstruction of Haines Drive	1,258,750		106,197		1,152,553	1,152,553		
8-2003	Purchase of Public Works Equipment	85,000		10,000		75,000	75,000		
19-2003	Acquisition of Open Space	596,000		50,000		546,000	546,000		
20-2003	Lenola Drainage Project	270,250		10,000		260,250	260,250		
25-2003	Jeff Young Basketball Cour	42,250		4,000		38,250	38,250		
26-2003	2003 Road Resurfacing	227,500		10,000		217,500	217,500		
31-2003	Preliminary Expenses Hollingshead Property	171,000				171,000	171,000		
5-2004	Clean-up								
18-2004	Preliminary Expenses & Haines Mill Road	38,000	218,500			256,500	38,000	188,500	29,910
33-2003/ 16-2005	Preliminary Expenses Parks Bathrooms	38,000	199,500			237,500	210,000		27,500
34-2003/ 1-2005	Preliminary Expenses Locust Street Park	23,750				23,750	23,750		
6-2004	Borton's Landing Road Bike Improvements to Public Works Building & Grounds	90,250				90,250	90,250		
12-2004		118,750				118,750	118,750		
13-2004	Improvements to Jeff Young Park	180,500	21,660			202,160	180,500	8,240	13,420
14-2004/ 17-2005	Tennis Courts & Hockey R								

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2004	INCREASED BY IMPROVEMENT AUTHORIZATIONS	PAYMENT OF OF BOND ANTICIPATION NOTES	DEFERRED CHARGES PAID /CANCEL 2005	BALANCE DECEMBER 31, 2005	ANALYSIS OF BALANCE		
							BOND NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
27-2004	Phase II Improvements	945,250				945,250	839,765		105,485
16-2004	Purchase of Various Public Works Vehicles	517,750				517,750	517,750		
17-2004	Preliminary Expenses West Moorestown Streetscape	23,750				23,750	23,750		
19-2004	Purchase of Technology Upgrades	171,000				171,000	171,000		
24-2004	Road Resurfacing for 2004	308,750				308,750	300,000		8,750
25-2004	Document Management System	213,750				213,750			213,750
4-2005	Reconstruction of Pearl Street		235,125			235,125	230,125		5,000
15-2005	Main Street Resurfacing Project		254,600			254,600			254,600
19-2005	Renovations of Municipal Library		3,329,750			3,329,750			3,329,750
21-2005	Reconstruction of E. Wilson Avenue		517,750			517,750			517,750
27-2005	Purchase of Public Works Vehicles		286,145			286,145			286,145
36-2005	2005 Road Improvements		251,750			251,750			251,750
37-2005	2005 Technology Upgrades		166,250			166,250			166,250
38-2005	Renovations to Municipal Building		95,000			95,000			95,000
39-2005	Reconstruction to Stanwick Road		9,000			9,000			9,000
	Total	\$15,938,056	5,585,030	2,146,197	4,102	19,372,787	13,755,545	210,282	5,406,960

EXHIBIT C-4

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$908
Increased by:		
Interest Transferred to Current		140,345
Subtotal		141,253
Decreased by:		
Interest Earned on Investments	\$120,516	
Miscellaneous	20,000	140,516
Balance December 31, 2005		\$737

EXHIBIT C-5

**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$21,732,243
Decreased by:		
Budget Appropriations:		
Serial Bonds Payable	\$1,970,240	
Green Acres Loan Payable	19,592	1,989,832
Balance December 31, 2005		\$19,742,411

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2004		AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	BALANCE DECEMBER 31, 2005	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
1670,1697,1754 1782,1790,1834 1889,1909	Improvements to Strawbridge Lake									
1876	Purchase & Implementation of LAN Computer Network	04/21/99	240,000		3,995		47,369	451		3,544
1877	Purchase of Telephone System	04/21/99	250,000		4,198			451		3,747
1878	Purchase of Library Automation System	04/21/99	210,000		3,426			451		2,975
1895 1927	Upgrade & Replacement of HVAC Systems	07/21/99 08/16/00	285,000 215,000	14,648			20,200		14,648	
1897	Aesthetic Impact Fees	8/18/99	19,800	3,300					3,300	
1904 1943	Town Center Street Scrape	12/22/99 12/20/00	610,000 500,000	50,082				4,364	45,718	
1910	Reconstruction of Locust Street	2/17/00	488,700	16,541					16,541	
1919/1976 1996	Construction of Skate Board Facility/Wesley Bishop Park Improvements	4/05/00 5/13/02	190,000		17,339			451		16,888
1938	Various Improvements Municipal Building	12/20/00	215,000	41,079					41,079	
1942	Regional Contribution Agreements	12/20/00	1,300,000		7,654			451		7,203
1945	Reconstruction of Browning Avenue	2/28/01	445,000	2,500					2,500	
1947	Reconstruction of East Third Street	2/28/01	368,000		3,430			1,493		1,937

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2004**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2003		AUTHORIZATIONS UNFUNDED	PRIOR YEAR		BALANCE DECEMBER 31, 2004	
				FUNDED	UNFUNDED		ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	FUNDED	UNFUNDED
1951/1989	Phase II Main Street	2/11/02	\$110,000		24,101		13,000	13,451		23,650
1956	Strawbridge Lake Dredging & Dam Repair - Lower Basin	5/16/01	2,325,000		47,978			29,000		18,978
1968	Regional Contribution Agreements	8/27/01	1,950,000		7,660			451		7,209
1969	Open Space Preservation	9/17/01	8,250,000		19,428			706		18,722
1974/2003	Preliminary Expenses Washington Avenue Reconstruction	12/26/01-6/10/03	25,000		7,855			451		7,404
1975/7-2003	Preliminary Expenses Lippincott Lippincott Avenue Drainage	12/26/01-5/12/03	25,000-385,000		20,023			1,551		18,472
1994	2002 Road Resurfacing Program	4/8/02	430,000		7,758					7,758
2004 - 02/9-2003	Preliminary Expenses Reconstruction East 3rd Street - Phase VI	6/10/02-5/12/03	43,000-762,000		121,162		143,422	164,143		100,441
2010 - 02/10-2003	Installation of Elevator - North Church Recreation Center	9/4/02-6/9/03	210,000-130,000		35,725		4,000	4,451		35,274
2011-02	Installation of Security System, Implementation of Communications & Purchase of Police Equipment	9/4/02	105,000		71,336			68,627		2,709
2020/21-2003	Preliminary Expenses Reconstruction Snyder Place	12/11/02-7/28/03	25,000-155,000		39,260		2,700	3,150		38,810
2021 11-2004	Preliminary Expenses/ Reconstruction of Haines Drive	12/11/02-5/10/2004	50,000-1,275,000		103,661		106,509	120,585		89,585
8-2003	Purchase of Public Works Equipment	5/12/03	100,000		2,827			451		2,376
19-2003	Acquisition of Open Space	7/14/03	680,000		16,708			450		16,258

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2004		AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	BALANCE DECEMBER 31, 2005	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
20-2003	Lenola Drainage Project	7/28/03	295,000		5,706			451		5,255
25-2003	Jeff Young Basketball Court	8/25/03	55,000		8,363		6,385	5,094		9,654
26-2003	2003 Road Resurfacing	8/25/03	250,000		31,023		17,631	44,671		3,983
31-2003		11/10/03	25,000		11,541		6,800	14,061		4,280
5-2004	Preliminary Expenses Hollingshead	3/8/2004	130,000							
18-2004	Property Clean-up	7/26/2004	25,000							
33-2003	Preliminary Expenses	1/12/2004	40,000							
16-2005	Haines Mill Road	5/9/2005	230,000		8,964	230,000		209,054		29,910
34-2003	Preliminary Expenses	1/12/2004	40,000							
1-2005	Parks Bathrooms	2/14/2005	40,000		15,529	210,000	6,090	188,541		43,078
6-2004	Preliminary Expenses Locust Street Park	3/8/2004	25,000		7,987		4,691	5,142		7,536
12-2004	Borton's Landing Road Bikeway	5/10/2004	95,000		85,330		656	82,832		3,154
13-2004	Improvements to Public Works Building & Grounds	5/10/2004	125,000		97,054		26,080	98,010		25,124
14-2004	Improvements to Jeff Young Park	5/10/2004	190,000		177,900	22,800	10,699	197,979		13,420
17-2005	Tennis Courts & Hockey Rink	6/20/2005	22,800							
15-2004	Preliminary Expenses Wesley Bishop	5/10/2004	65,000							
27-2004	Park Phase II Improvements	12/6/2004	930,000		897,756		49,667	786,477		160,946
16-2004	Purchase of Various Public Works Vehicles	6/21/2004	545,000		63,054		458,515	492,047		29,522
17-2004	Preliminary Expenses West Moorestown Streetscape	7/12/2004	25,000		21,987		500	951		21,536
19-2004	Purchase of Technology Upgrades	8/23/2004	180,000		79,180			52,612		26,568
24-2004	Road Resurfacing for 2004	11/8/2004	325,000	10,750	308,750		5,500	295,972		29,028
25-2004	Document Management System	11/8/2004	225,000	11,250	213,750				11,250	213,750

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVED AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2004		PAID OR CHARGED	BALANCE DECEMBER 31, 2005	
				FUNDED	UNFUNDED		FUNDED	UNFUNDED
4-2005	Reconstruction of Pearl Street	4/4/2005	247,500	247,500		220,426		27,074
15-2005	Main Street Resurfacing Project	5/9/2005	418,000	418,000		19,050	1,850	397,100
19-2005	Renovations of Municipal Library	6/25/2005	3,550,000	3,550,000		198,100		3,351,900
21-2005	Reconstruction of East Wilson Avenue	7/25/2005	545,000	545,000		20,500	6,750	517,750
27-2005	Purchase of Public Works Vehicles	8/22/05	365,000	365,000		270,126		94,874
36-2005	2005 Road Improvements	12/12/2005	265,000	265,000			13,250	251,750
37-2005	2005 Technology Upgrades	12/12/2005	175,000	175,000			8,750	166,250
38-2005	Renovations to Municipal Building	12/12/2005	100,000	100,000			5,000	95,000
39-2005	Reconstruction to Stanwick Road	12/12/2005	10,000	10,000			500	9,500
				\$150,150	2,599,398	930,414	171,136	5,961,882
				Capital Improvement Fund	\$294,475			
				Deferred Charges to Future Taxation - Unfunded	5,585,030			
				Grants/Other Sources	258,795			
				Contract Encumbrances Payable		883,634		
				Refunds		(558)		
				Cash Disbursed		2,802,168		
				Total	\$6,138,300	3,685,244	171,136	5,961,882

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$39,576
Increased by:	
Budget Appropriations	<u>277,500</u>
Subtotal	317,076
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>294,475</u>
Balance December 31, 2005	<u><u>\$22,601</u></u>

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2004	BONDS ISSUED	DECREASED BY PRINCIPAL PAID	BALANCE DECEMBER 31, 2005
			DATE	AMOUNT	DECEMBER 31, 2005					
General Improvement Bonds Series of 1990	12/01/90	\$2,424,000				6.50%	\$199,000	199,000		
			50,600			4.25%				
General Obligation Refunding Bonds Series of 1999	09/01/98	426,400				4.30%	361,710	51,240	310,470	
			47,185			4.35%				
			42,915			4.40%				
			42,485			4.40%				
			41,845			4.50%				
			41,205			4.50%				
			39,235			4.70%				
		5,000								

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS			BALANCE DECEMBER 31, 2004	BONDS ISSUED	DECREASED BY PRINCIPAL PAID	BALANCE DECEMBER 31, 2005
			DATE	AMOUNT	INTEREST RATE				
General Improvement Bonds Series 2003	4/30/2003	14,955,340	5/1/06	820,000	2.750%	14,190,340		795,000	13,395,340
			5/1/07	850,000	3.000%				
			5/1/08	880,900	3.500%				
			5/1/09	910,900	3.500%				
			5/1/10	945,900	3.500%				
			5/1/11	980,900	3.500%				
			5/1/12	1,015,900	3.500%				
			5/1/13	1,055,840	3.500%				
			5/1/14	1,100,000	3.500%				
			5/1/15	1,140,000	3.625%				
			5/1/16	1,185,000	3.750%				
			5/1/17	1,230,000	3.750%				
			5/1/18	1,280,000	3.750%				
General Obligation Refunding Bonds Series of 2003	4/30/2003	\$7,236,600	5/1/06	920,000	2.000%	6,790,000		925,000	5,865,000
			5/1/07	905,000	2.125%				
			5/1/08	900,000	2.300%				
			5/1/09	680,000	3.000%				
			5/1/10	605,000	3.000%				
			5/1/11	610,000	3.200%				
		5/1/12	615,000	3.350%					
		5/1/13	630,000	3.500%					
Total									
									<u>\$21,541,050</u>
									<u>19,570,810</u>

TOWNSHIP OF MOORESTOWN
 GENERAL CAPITAL FUND
 STATEMENT OF GREEN ACRES LOANS PAYABLE
 FOR THE YEAR ENDED DECEMBER 31, 2005

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOAN PRINCIPAL AND INTEREST	DATE	AMOUNT	INTEREST RATE	BALANCE	
							DECEMBER 31, 2004	DECEMBER 31, 2005
Green Acres Loan	12/08/93	\$375,000	(1)			2.00%	\$191,192	171,600

(1) Semi-annual loan amortization from September 3, 2004 through September 8, 2013.

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	ISSUE DATE	MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2004	ISSUED	DECREASED	BALANCE DECEMBER 31, 2005
1876-99	Purchase & Implementation of LAN Computer Network	6/4/99	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	\$95,000	75,000	95,000	75,000
1877-99	Purchase of Telephone System	6/4/99	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	95,000	75,000	95,000	75,000
1878-99	Purchase of Library Automation System	6/4/99	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	91,057	71,057	91,057	71,057
1919-00/1976-01	Construction of Skate Park	6/2/00	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	177,125	162,125	177,125	162,125
1942-00	Regional Contribution Agreements	05/31/01	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	749,800	689,800	749,800	689,800
1951-01 1989-02	Engineering & Landscape Architectural Services Phase II Main Street	05/31/01	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	30,000	20,000	30,000	20,000
1968-01	Regional Contribution Agreements	10/11/01	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	1,360,000	1,300,000	1,360,000	1,300,000
1969-01	Open Space Preservation	10/11/01	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	6,220,000	4,570,000	6,220,000	4,570,000
1974-01/2003-02	Reconstruction North Washington Avenue	10/11/01	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	218,371	193,371	218,371	193,371
1975-01/ 7-2003	Lippincott Road Drainage	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	365,000	340,000	365,000	340,000
2004-02/9-2003	Preliminary Expenses Reconstruction East 3rd Street - Phase VI	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	585,000	565,000	585,000	565,000
2010-02/10-2003	Installation of Elevator - North Church Street Recreation Center	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	211,000	200,000	211,000	200,000
2011-02	Installation of Security System, Implementation of Communications System & Purchase of Police Equipment	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	94,750	84,750	94,750	84,750
2020-02/ 21-2003	Preliminary Expenses Reconstruction Snyder Place	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	136,000	126,000	136,000	126,000
2021-02	Preliminary Expenses Reconstruction of Haines Drive	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	47,500	37,500	47,500	37,500

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	ISSUE DATE	MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2004	ISSUED	DECREASED	BALANCE DECEMBER 31, 2005
8-2003	Purchase of Public Works Equipment	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	85,000	75,000	85,000	75,000
19-2003	Acquisition of Open Space	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	596,000	546,000	596,000	546,000
20-2003	Lenola Drainage Project	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	270,250	260,250	270,250	260,250
25-2003	Jeff Young Basketball Court	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	42,250	38,250	42,250	38,250
26-2003	2003 Road Resurfacing	05/29/03	5/27/04 5/26/05	5/26/05 5/25/06	3.00% 3.75%	227,500	217,500	227,500	217,500
2004-02/9-2003	Reconstruction E. 3rd Street Phase VI	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	74,750	74,750	74,750	74,750
2010-02/10-2003	North Church Recreation Elevator	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	4,500	4,500	4,500	4,500
31-2003/5-2004 18-2004	Hollingshead Site Cleanup	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	171,000	171,000	171,000	171,000
33-2003	Preliminary Expenses Haines Mill Road	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	38,000	38,000	38,000	38,000
34-2003/ 1-2005	Preliminary Expenses Parks Bathrooms	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	38,000	210,000	38,000	210,000
6-2004	Preliminary Expenses Locust Street Park	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	23,750	23,750	23,750	23,750
2021-02/11-2004	Haines Drive Reconstruction	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	1,211,250	1,115,053	1,211,250	1,115,053
12-2004	Borton's Landing Road Bikeway	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	90,250	90,250	90,250	90,250
13-2004	Improvements to Public Works Building & Grounds	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	118,750	118,750	118,750	118,750
14-2004	Improvements to Jeff Young Park Tennis Courts & Hockey Rink	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	180,500	180,500	180,500	180,500

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	ISSUE DATE	MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2004	ISSUED	DECREASED	BALANCE DECEMBER 31, 2005
15-2004/ 27/2004	Preliminary Expenses Wesley Bishop Park Phase II Improvements	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	61,750	839,764	61,750	839,764
16-2004	Purchase of Various Public Works Vehicles	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	517,750	517,750	517,750	517,750
17-2004	Preliminary Expenses West Moorestown Streetscape	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	23,750	23,750	23,750	23,750
19-2004	Purchase of Technology Upgrades	8/26/04	8/26/04 5/26/05	5/26/05 5/25/06	1.68% 3.75%	171,000	171,000	171,000	171,000
24-2004	2004 Road Resurfacing	5/26/05	5/26/05	5/25/06	3.75%	300,000	300,000		300,000
4-2005	Reconstruction of Pearl Street	5/26/05	5/26/05	5/25/06	3.75%	230,125	230,125		230,125
Total						\$14,421,603	13,755,545	14,421,603	13,755,545

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2004	IMPROVEMENT AUTHORIZATIONS	DEFERRED CHARGES RAISED 2005	BOND ANTICIPATION ISSUED	BALANCE DECEMBER 31, 2005
1951	Engineering and Landscape Architectural Services Phase II Main Street	\$39,950		2,848		37,102
1973/1993	Preliminary Expenses Harris Avenue Reconstruction	1,254		1,254		
1975/2003-7	Preliminary Expenses Lippincott Avenue Drainage	5,750				5,750
2010-02/2003-10	Installation of Elevator - North Church Street Recreation Center	33,500				33,500
2020/2003-21	Preliminary Expenses Reconstruction Snyder Place	30,000				30,000
2003-33/16-2005	Reconstruction of Haines Mill Road		218,500			218,500
2003-34/1-2005	Renovations Park Bathrooms		199,500		172,000	27,500
14-2004/17-2005	Improvements to Jeff Young Park		21,660			21,660
15-2004 27-2004	Preliminary Expenses Wesley Bishop Park Phase II Improvements	883,500			778,014	105,486
24-2004	Road Resurfacing for 2004	308,750			300,000	8,750
25-2004	Document Management System	213,750				213,750
4-2005	Reconstruction of Pearl Street		235,125		230,125	5,000
15-2005	Main Street Resurfacing Project		254,600			254,600
19-2005	Renovations of Municipal Library		3,329,750			3,329,750

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2004	IMPROVEMENT AUTHORIZATIONS	DEFERRED CHARGES RAISED 2005	BOND ANTICIPATION ISSUED	BALANCE DECEMBER 31, 2005
36-2005	2005 Road Improvements		251,750			251,750
37-2005	2005 Technology Upgrades		166,250			166,250
38-2005	Renovations to Municipal Building		95,000			95,000
39-2005	Reconstruction to Stanwick Road		9,000			9,000
Total		\$1,516,454	5,585,030	4,102	1,480,139	5,617,243

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
STATEMENT OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$510,656
Increased by:		
State & Federal Grants	\$308,474	
Miscellaneous Receipts	171,000	479,474
Subtotal		990,130
Decreased by Disbursements:		
Pay Down on Bonds & Bond Anticipation Notes		296,197
Balance December 31, 2005		\$693,933

ANALYSIS OF BALANCE

ORDINANCE NUMBER	DESCRIPTION OF IMPROVEMENT	AMOUNT	PLEGDED TO
1759/1770	Pleasant Valley Resurfacing	\$127,276	Bonds
1904	Streetscape Phase 1	10,000	Bonds
1956	Strawbridge Lake	300,657	Bonds
34-2003/1-2005	Renovate Parks Bathrooms	85,000	Bonds
31-2003/5-2004/18-2004	Hollingshead Remediation	171,000	Bonds
	Total	\$693,933	

WATER-SEWER UTILITY FUND

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>OPERATING FUND</u>	<u>ASSESSMENT TRUST</u>	<u>CAPITAL FUND</u>
Balance December 31, 2004	\$2,915,783	194,187	741,576
Increased by Receipts:			
Anticipated Revenues	\$6,950,462		
Due Water & Sewer Utility Operating Fund:			
Current Year Interest Earnings		4,635	26,303
Capital Improvement Fund			25,000
Bond Anticipation Notes Issued			160,000
Premium Received on Note Sale			11,765
Interfunds Liquidated	127,235		100,000
	<hr/>		<hr/>
Subtotal	<u>7,077,697</u>	<u>4,635</u>	<u>323,068</u>
Total	<u>9,993,480</u>	<u>198,822</u>	<u>1,064,644</u>
Decreased by Disbursements:			
2005 Budget Appropriations	6,077,538		
2004 Appropriation Reserves	675,249		
Interest on Bonds & Notes	425,465		
Rent Overpayments	1,187		
Improvement Authorizations			250,505
Interfunds	100,000		227,235
Accounts Payable	1,250		
Refund of Prior Year Revenues	7,160		
Bond Anticipation Notes Redeemed		3,910	
	<hr/>		<hr/>
Total Disbursements	<u>7,287,849</u>	<u>3,910</u>	<u>477,740</u>
Balance December 31, 2005	<u><u>\$2,705,631</u></u>	<u><u>194,912</u></u>	<u><u>586,904</u></u>

EXHIBIT D-6

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE FROM/(TO) WATER-SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$572
Increased by:		
Current Year Interest Earned	\$26,303	
Interfund Created	100,000	126,303
Subtotal		126,875
Decreased by:		
Interfund Liquidated		127,235
Balance December 31, 2005		(\$360)

EXHIBIT D-7

**WATER-SEWER ASSESSMENT TRUST FUND
ANALYSIS OF WATER-SEWER UTILITY ASSESSMENT TRUST CASH
FOR THE YEAR ENDED DECEMBER 31, 2005**

		BALANCE DECEMBER 31, 2005
Fund Balance		\$185,231
Due to Utility Operating		4,652
Bond Anticipation Notes Cortland Shire		5,029
Balance December 31, 2005		\$194,912

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF SERVICE CHARGES RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	TOTAL	HYDRANTS	WATER	SEWER
Balance December 31, 2004	\$542,783		298,262	244,521
Increased by:				
Service Charges Levied	7,201,461	307,376	4,363,817	2,530,268
Overpayments Created & Refunded	9,237			9,237
Subtotal	7,753,481	307,376	4,662,079	2,784,026
Decreased by:				
Collections	6,099,934	307,376	3,307,168	2,485,390
Overpayments Applied	8,012		8,012	
Cancellations	1,112,254		1,048,301	63,953
Subtotal	7,220,200	307,376	4,363,481	2,549,343
Balance December 31, 2005	\$533,281		298,598	234,683

**SCHEDULE OF SERVICE CHARGES LIENS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$4,606
Canceled	4,606

**WATER-SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF WATER-SEWER ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	DATE OF CONFIRMATION	BALANCE DECEMBER 31, 2005
426	Sanitary Sewer Improvements - Route No. 38	07/24/72	\$698
451	Water Improvements - Westfield Road	10/29/66	1,425
1885	Water Improvements - Cortland Shire Drive	12/9/02	17,274
	Total		<u>\$19,397</u>

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER ASSESSMENTS HELD IN ABEYANCE
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	DATE OF CONFIRMATION	BALANCE DECEMBER 31, 2005
	Sanitary Sewer Improvements:		
430	Stanwick Road	11/29/65	\$397
540	Timber Croft Road	06/22/70	2,348
426	Route No. 38	07/24/70	2,195
471/567/588	North Valley Road	08/28/72	17,300
643	Mount Laurel Road	08/14/78	4,242
767/793	Ivy & Regenhard Avenues	03/10/80	7,200
	Water Improvements:		
350	Hartford & Borton Landing Roads	10/31/60	5,108
451	Westfield Road	10/29/66	6,958
485	Tom Brown Road	12/29/66	10,383
583	North Church Street	06/19/72	334
585	Riverton Road	02/28/72	2,488
			<u>2,488</u>
			<u><u>\$58,953</u></u>

**WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$38,678,352
Increased by:	
Paid by Operating Budget	<u>280,852</u>
Balance December 31, 2005	<u><u>\$38,959,204</u></u>

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DECEMBER 31, 2004	AUTHORIZATIONS	TRANSFER TO FIXED CAPITAL	AUTHORIZATION CANCELLED	BALANCE DECEMBER 31, 2005
1910/1933	Locust Street Improvements	2/17/00-8/17/00	\$291,300	\$291,300				291,300
1945	Reconstruction of Browning Avenue	2/28/01	165,000	144,000				144,000
2003/1974	Reconstruction of North Washington Avenue	6/10/02	235,750	199,250				199,250
2004 9-2003	Reconstruction of East 3rd Street - Phase VI	6/10/02-5/12/03	17,000	285,000				285,000
2005 11-2003	Rehabilitation & Replacement of Sentinel Road & Stanwick Road Sewer System	6/10/02-6/9/03	240,000	355,000				355,000
6-2003	Kings Highway & North Church Street Water Plant Improvements	4/7/2003	440,000	440,000				440,000
4-2005	Reconstruction of Pearl Street	4/4/05	182,500		182,500			182,500
21-2005	Reconstruction of E. Wilson Avenue	7/25/05	393,000		393,000			393,000
27-2005	Purchase of Public Works Vehicle	8/22/05	62,500		62,500			62,500
37-2005	2005 Technology Upgrades	12/12/05	70,000		70,000			70,000
39-2005	Reconstruction to Stanwick Road	12/12/05	15,000		15,000			15,000
Total				\$1,714,550	723,000			2,437,550

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF 2004 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	BALANCE DECEMBER 31, 2004	ENCUMBRANCES RECLASSIFIED	MODIFIED BALANCE	PAID OR CHARGED	BALANCE LAPSED
Operations:					
Salaries & Wages	\$134,871		134,871	4,110	130,761
Other Expenses	272,486	485,860	758,346	487,281	271,065
Capital Improvements:					
Capital Outlay	82,213	201,359	283,572	199,403	84,169
Statutory Expenditures:					
Social Security System	6,114		6,114		6,114
Total	\$495,684	687,219	1,182,903	690,794	492,109

Cash Disbursed	\$675,249
Encumbrances Payable	15,545
Total	\$690,794

**STATEMENT OF ACCRUED INTEREST ON BONDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$123,851
Increased by:	
Utility Operating Budget Appropriation	371,495
Subtotal	495,346
Decreased by:	
Cash Disbursements	388,136
Balance December 31, 2005	<u>\$107,210</u>

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2005

PRINCIPAL OUTSTANDING 12/31/05 Serial Bonds:	INTEREST RATE	FROM	TO	PERIOD	AMOUNT
\$6,959,530	Various	9/01/2005	12/31/2005	4.0 Months	\$101,683
1,090,000	Various	11/01/2005	12/31/2005	2.0 Months	5,527
\$8,049,530					\$107,210

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF ACCRUED INTEREST ON BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$22,190
Increased by:	
Utility Operating Budget Appropriation	42,582
Subtotal	64,772
Decreased by:	
Cash Disbursements	37,329
Balance December 31, 2005	\$27,443

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2005

PRINCIPAL OUTSTANDING 12/31/05	FUND	INTEREST RATE	FROM	TO	PERIOD	AMOUNT
Bond Anticipation Notes:						
\$1,209,364	Utility Capital	3.75%	5/26/05	12/31/05	215 Days	\$27,085
16,012	Utility Assessment	3.75%	5/26/05	12/31/05	215 Days	359
\$1,225,376						\$27,443

**STATEMENT OF RESERVE FOR ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	BALANCE DECEMBER 31, 2005
Sanitary Sewer Improvements:		
430	Stanwick Road	\$397
540	Timber Croft Road	2,348
426	Route No. 38	2,893
471/567/588	North Valley Road	17,300
643	Mount Laurel Road	4,242
767/793	Ivy & Regenhard Avenues	7,200
Water Improvements:		
350	Hartford & Borton Landing Roads	5,108
451	Westfield Road	8,383
485	Tom Brown Road	10,383
583	North Church Street	334
585	Riverton Road	2,488
1885	Cortland Shire Drive	18,624
Total		\$79,700

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE DECEMBER 31, 2004		AUTHORIZATIONS	ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	BALANCE DECEMBER 31, 2005	
			AMOUNT	FUNDED				UNFUNDED	FUNDED
1836	Reconstruction of a Portion of Cooper Avenue & Construction of Curbs Along Cooper Avenue	9/22/97	\$23,000			5,808	5,808		
1910/1933	Locust Street Improvements	2/17/00-8/17/00	291,300	63,927		554	634		63,847
1945	Reconstruction of Browning Avenue	2/28/01	165,000	3,909		450			3,459
2003-02/1974	Reconstruction of North Washington Avenue	6/10/02	235,750	5,918		450			5,468
2004	Reconstruction of East 3rd Street - Phase VI	6/10/02	285,000	46,560		1,781			44,779
2005	Rehabilitation and Replacement of Sentinel Road & Stanwick Road Sewer System	6/10/02	355,000	\$7,331		3,951		11,282	
6-2003	Kings Highway & N. Church Street Water Plant Improvements	4/7/03	440,000	9,218		136,605	135,722		10,101
4-2005	Reconstruction of Pearl Street	4/4/05	182,500		182,500		109,284		73,216
21-2005	Reconstruction of E. Wilson Avenue	7/25/05	393,000		393,000		17,500	2,150	373,350
27-2005	Purchase of Public Works Vehicles	8/22/05	62,500		62,500		3,125		59,375
37-2005	2005 Technology Upgrades	12/12/05	70,000		70,000		3,500		66,500
39-2005	Reconstruction to Stanwick Road	12/12/05	15,000		15,000		1,000		14,000
Total			\$7,331	129,532	723,000	146,918	271,629	21,057	714,095

Cash Disbursed	\$250,504
Encumbrances Payable	21,125
Total	\$271,629

EXHIBIT D-20

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$157,196
Increased by:	
Budget Appropriation	25,000
Subtotal	182,196
Decreased by:	
Down Payment to Fund Ordinances	36,400
Balance December 31, 2005	\$145,796

EXHIBIT D-21

**STATEMENT OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$29,104,690	
Increased by:		
Capital Outlay:		
Paid by Operating Budget	\$280,852	
Notes Redeemed	120,000	
Bonds Redeemed	1,258,760	1,659,612
Balance December 31, 2005		\$30,764,302

EXHIBIT D-22

**STATEMENT OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$784,970	
Increased by:		
Down Payment on Ordinances	\$36,400	
Notes Redeemed	55,000	91,400
Balance December 31, 2005		\$876,370

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2004	INCREASED	DECREASED	BALANCE DECEMBER 31, 2005
1910-00/1933-00	Locust Street Improvements	06/02/00	05/27/2005	3.00%	\$61,355	61,355	61,355	61,355
1945-01	Reconstruction of Browning Avenue	06/02/00	05/25/2006	3.75%	55,000	30,000	55,000	30,000
1947-01/1988-02	Reconstruction of East Third Street	2/28/01	05/27/2005	3.00%	190,884	170,884	190,884	170,884
1962-01/1971-01	Sewer Main Repair - Crider & Glen Avenues	2/28/01	05/25/2006	3.75%	100,000	100,000	100,000	100,000
1974-01/2003-02	Reconstruction of North Washington Avenue	5/30/02	05/27/2005	3.00%	192,125	192,125	192,125	192,125
2004-02/9-2003	East Third Street Phase VI	10/2/03	05/27/2005	3.00%	220,000	177,125	220,000	177,125
6-2003	Kings Highway & North Church	10/2/03	05/25/2006	3.75%	405,000	205,000	405,000	205,000
4-2005	Reconstruction of Pearl Street	10/2/03	05/27/2005	3.00%	405,000	405,000	405,000	405,000
		5/26/05	05/25/2006	3.75%	160,000	160,000	160,000	160,000
Total					\$1,224,364	1,209,364	1,224,364	1,209,364

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2005**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2004	BONDS ISSUED	DECREASED BY		BALANCE DECEMBER 31, 2005
			DATE	AMOUNT				BONDS REDEEMED	BONDS DEFEASSED	
Refunding Bonds 1998	09/01/98	\$9,558,600	09/01/06	\$1,134,400	4.25%	\$8,108,290		1,148,760		6,959,530
			09/01/07	1,057,815	4.30%					
			09/01/08	962,085	4.35%					
			09/01/09	952,515	4.40%					
			09/01/10	938,155	4.40%					
			09/01/11	923,795	4.50%					
			09/01/12	915,765	4.50%					
			09/01/13	75,000	4.70%					
General Obligation Refunding Bonds Series of 2003	4/30/2003	1,228,400	5/1/06	105,000	2.000%	1,200,000		110,000		1,090,000
			5/1/07	110,000	2.125%					
			5/1/08	110,000	2.300%					
			5/1/09	110,000	3.000%					
			5/1/10	110,000	3.000%					
			5/1/11	110,000	3.200%					
			5/1/12	115,000	3.350%					
		5/1/13	115,000	3.500%						
		5/1/14	70,000	4.000%						
		5/1/15	70,000	4.000%						
		5/1/16	65,000	4.000%						
Total						\$9,308,290		1,258,760		8,049,530

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004	\$160,081
Increased by:	
Premium Received on Note Sale	<u>11,765</u>
Balance December 31, 2005	<u><u>\$171,846</u></u>

**TOWNSHIP OF MOORESTOWN
 WATER-SEWER UTILITY CAPITAL FUND
 STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2005**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2004	INCREASED	NOTES ISSUED	AUTHORIZATION RAISED/ CANCELED	BALANCE DECEMBER 31, 2005
9-2003	3rd Street - Phase VI	\$25,750				25,750
4-2005	Reconstruction of Pearl Street		173,375	160,000		13,375
21-2005	Reconstruction of E. Wilson Avenue		373,350			373,350
27-2005	Purchase of Public Works Vehicles		59,375			59,375
37-2005	2005 Technology Upgrades		66,500			66,500
39-2005	Reconstruction to Stanwick Road		14,000			14,000
		<u>\$25,750</u>	<u>686,600</u>	<u>160,000</u>		<u>552,350</u>

PUBLIC ASSISTANCE FUND

**TOWNSHIP OF MOORESTOWN
PUBLIC ASSISTANCE FUND
STATEMENT OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2005**

	P.A.T.F. I	P.A.T.F. II	TOTAL
Balance December 31, 2005 & 2004	\$751	581	1,332

**SCHEDULE OF PUBLIC ASSISTANCE CASH AND RECONCILIATION
PER N.J.S. 40A:5-5
FOR THE PERIOD DECEMBER 31, 2005 TO March 31, 2006**

Balance March 31, 2006 & December 31, 2005	\$1,332
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RECONCILIATION - MARCH 31, 2006

	P.A.T.F. I ACCOUNT	P.A.T.F. II ACCOUNT	TOTAL
Balance on Deposit per Statement of:			
PNC Bank:			
Account #8014449489	\$751		751
Account #8014449518		581	581
Book Balance March 31, 2006	\$751	581	1,332

**TOWNSHIP OF MOORESTOWN
PUBLIC ASSISTANCE FUND
SCHEDULE OF PUBLIC ASSISTANCE CASH AND RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2005 & 2004 \$1,332

RECONCILIATION - DECEMBER 31, 2005

	P.A.T.F. I ACCOUNT	P.A.T.F. II ACCOUNT	TOTAL
Balance on Deposit per Statement of:			
PNC Bank:			
Account #8014449489	\$751		751
Account #8014449518		581	581
	<hr/>		
Balance December 31, 2005	<u>\$751</u>	<u>581</u>	<u>1,332</u>

PAYROLL FUND

**TOWNSHIP OF MOORESTOWN
PAYROLL FUND
STATEMENT OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2005**

Balance December 31, 2004		\$55,213
Increased by Receipts:		
Net Payroll & Payroll Deductions	\$10,211,843	
Due Current Fund - Interest Earnings	8,238	10,220,081
		<hr/>
Subtotal		10,275,294
Decreased by Disbursements:		
Net Payroll & Payroll Deductions	10,274,972	
Due Current Fund - Interest Earnings	6,468	10,281,440
		<hr/>
Balance December 31, 2005		<u><u>(\$6,146)</u></u>

GENERAL FIXED ASSETS

**TOWNSHIP OF MOORESTOWN
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET (STATUTORY BASIS)
DECEMBER 31, 2005 AND 2004**

	BALANCE DECEMBER 31, 2004	NET ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2005
Land & Buildings	\$35,088,337			35,088,337
Equipment & Vehicles	6,900,935	1,664,741	11,741	8,553,935
	<hr/>			
Total	\$41,989,272	1,664,741	11,741	43,642,272
	<hr/> <hr/>			

SINGLE AUDIT SECTION

The Township of Moorestown does not meet the requirements for a Federal single audit for the year ending December 31, 2005. Schedule A - Schedule of Expenditures of State Financial Assistance and a summary schedule of prior audit findings are provided herein.



Holman & Frenia, P.C.
Certified Public Accountants & Consultants

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

Honorable Mayor and Members
of Township Council
Township of Moorestown
County of Moorestown
Moorestown, New Jersey 08057

Compliance

We have audited the compliance of Township of Moorestown, in the County of Burlington, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the year ended December 31, 2005. Township of Moorestown's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of Township of Moorestown's management. Our responsibility is to express an opinion on Township of Moorestown's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations*; and the New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, requires that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Township of Moorestown's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Moorestown's compliance with those requirements.

In our opinion, the Township of Moorestown, County of Burlington, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2005.

Internal Control Over Compliance

The management of the Township of Moorestown is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Township of Moorestown's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of

MEDFORD OFFICE

TOMS RIVER OFFICE

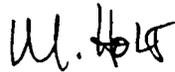
expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the management of the Township of Moorestown and other 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.

A handwritten signature in black ink, appearing to read "M. Holt".

Michael Holt
Registered Municipal Accountant
CR 473

Medford, New Jersey
April 11, 2006

**TOWNSHIP OF MOORESTOWN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED DECEMBER 31, 2005**

STATE FUNDING DEPARTMENT	FEDERAL PROGRAM	STATE GRANT AWARD NUMBER	GRANT PERIOD	PROGRAM OR AWARD AMOUNT	RECEIPTS	EXPENDED
Department of Environmental Protection & Energy	Clean Communities Grant	4900-765-42-4900-4-VCMB-6020	1/1/05 to 12/31/05	\$21,001	21,001	21,001
	Recycling Tonnage Grant	N/A	Indefinite	4,414	4,414	120
	Environmental Services Program	N/A	1/1/04 to 12/31/05	2,500		2,500
	Stormwater Regulation Grant	N/A	Indefinite	3,007		680
	Hazardous Discharge Grant	N/A	1/1/05 to 12/31/05	560		560
Department of Law & Public Safety	Drunk Driving Enforcement Grant	6400-100-078-6400-YYYY	Indefinite	18,335	18,335	12,497
	Safe & Secure Communities Act Program	1200-100-066-1200-537-YEMR-6120	1/1/05 to 12/31/05	60,000	60,000	60,000
	Click It or Ticket	N/A	1/1/05 to 12/31/05	3,249	3,249	3,249
County of Burlington Department of Human Services	Buckle Up South Jersey Municipal Drug Alliance Grant	N/A	1/1/05 to 12/31/05	2,000		2,000
	Body Armor Replacement Fund	1020-718-066-1020-001-YCJS-6120	Indefinite	3,631	3,631	3,631
Administrative Office of the Courts	Community Forestry Grant	4870-100-042-4GDE-038-V42Y-6110	Indefinite	2,000		116
	Green Communities Grant	N/A	Indefinite	1,800	1,800	
Department of Community Affairs	Green Acres Program	4800-727-042-4800-002-V22G-6120	Indefinite	3,500,000	1,707,975	1,707,975
	Total State Assistance				1,834,109	1,830,117

TOWNSHIP OF MOORESTOWN

**NOTES TO SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2005**

Note 1. General

The accompanying schedules of financial assistance present the activity of all state financial assistance programs of the Township of Moorestown. The Township is defined in Note 1 to the Township's financial statements. All state financial assistance received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3. Relationship to Financial Statements – Statutory Basis

Amounts reported in the accompanying schedules agree with amounts reported in the Township's general-purpose financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

	State
State & Federal Grant Fund	\$ 122,142
Trust Other Fund	<u>1,707,975</u>
Total Financial Assistance	<u>\$1,830,117</u>

Note 4. Relationship to State Financial Report

Amounts reported in the accompanying schedules agree with the amounts reported in the related state financial report.

Note 5. Major Programs

Major programs are identified in the Schedule of Findings and Questioned Costs section.

**TOWNSHIP OF MOORESTOWN
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For The Year Ended December 31, 2005**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- | | |
|--|---------------|
| 1) Material weakness(es) identified? | No |
| 2) Reportable condition(s) identified that are not considered to be material weaknesses? | None Reported |

Noncompliance material to general-purpose financial Statements noted?	No
---	----

State Awards

Internal Control over major programs:

- | | |
|--|---------------|
| 1) Material weakness(es) identified? | No |
| 2) Reportable condition(s) identified that are not considered To be material weaknesses? | None Reported |

Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
--	--------------------

Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04?	No
--	----

Identification of major programs:

GMIS Number(s)	Name of State Program
0322-00-095	Green Acres Program

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
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Auditee qualified as low-risk auditee?	No
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**TOWNSHIP OF MOORESTOWN
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For The Year Ended December 31, 2005**

Section II – Financial Statement Findings

This section identifies the reportable conditions, material weaknesses and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

No Current Year Findings

Section III – Federal Financial Assistance Finding & Questioned Costs

This section identifies the reportable conditions, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**TOWNSHIP OF MOORESTOWN
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For The Year Ended December 31, 2005**

This section identifies the status of prior-year findings related to the general-purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular Letter 04-04.

No Prior Year Findings

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 1.01%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$66,851,000	66,851,000	
Water-Sewer Utility Debt	9,827,256	9,827,256	
General Debt	39,183,039	5,809,933	33,373,106
	<hr/>		
Total	\$115,861,295	82,488,189	33,373,106
	<hr/> <hr/>		

Net Debt, \$33,373,106 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$3,311,688,276 equals 1.01%.

Equalized Valuation Basis:

2005	\$3,653,839,173
2004	3,251,424,698
2003	3,029,800,956
	<hr/>
Average	\$3,311,688,276
	<hr/> <hr/>

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$115,909,090
Net Debt	33,373,106
	<hr/>
Remaining Borrowing Power	\$82,535,984
	<hr/> <hr/>

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

Fund Balance Utilized	\$1,585,000	
Cash Receipts From Fees, Rents & Other Charges	7,476,899	\$9,061,899
	<hr/>	
Deductions:		
Operating & Maintenance Costs	5,730,215	
Debt Service	1,847,837	7,578,052
	<hr/>	
Excess Revenue - Self Liquidating		\$1,483,847
		<hr/> <hr/>

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

CURRENT FUND	YEAR 2005		YEAR 2004	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized	\$4,737,000	5.18%	5,170,017	5.96%
Miscellaneous - From Other Than				
Local Property Tax Levies	6,074,695	6.65%	5,399,178	6.22%
Collection of Delinquent Taxes &				
Tax Title Liens	728,078	0.80%	917,954	1.06%
Collection of Current Tax Levy	79,191,154	86.65%	74,752,703	86.12%
Other Credits to Income:				
Unexpended Balance of				
Appropriation Reserves	656,587	0.72%	552,209	0.64%
Interfund Loans Returned	5,017	0.01%	310	0.00%
Other Credits to Income	96	0.00%	7,999	0.01%
Total Income	91,392,627	100.00%	86,800,370	100.00%
Expenditures				
Budget Expenditures -				
Municipal Purposes	19,617,622	22.72%	18,570,168	22.59%
Special District Taxes	1,917,437	2.22%	1,852,500	2.25%
County Taxes	14,256,316	16.51%	13,843,869	16.84%
Local School Taxes	49,361,867	57.18%	46,772,047	56.89%
Municipal Open Space	1,165,613	1.35%	1,153,624	1.40%
Other Debits to Income:				
Interfunds Created	1,432	0.00%	5,017	0.01%
Other Expenditures	10,114	0.01%	10,572	0.01%
Total Expenditures	86,330,401	100.00%	82,207,797	100.00%
Excess to Fund Balance	5,062,226		4,592,573	
Fund Balance January 1	4,986,358		5,442,123	
Adjustments to Income Before Fund				
Balance Expenditures Included Above				
Which are by Statute Deferred				
Charges to Succeeding Years Budgets	25,000		121,679	
Total	10,073,584		10,156,375	
Less: Fund Balance Utilized as				
Revenue	4,737,000		5,170,017	
Fund Balance December 31	\$5,336,584		\$4,986,358	

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

WATER & SEWER UTILITY OPERATING FUND	YEAR 2005		YEAR 2004	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized	\$1,585,000	17.49%	1,776,744	19.45%
Collection of Water Rents	6,098,709	67.30%	5,479,372	59.98%
Miscellaneous:				
Other Than Water Rents	886,081	9.78%	713,289	7.81%
Unexpended Balance of Appropriation Reserves	492,109	5.43%	1,165,423	12.76%
Total Income	9,061,899	100.00%	9,134,828	100.00%
Expenditures				
Budget Expenditures:				
Operating	5,082,797	65.45%	5,513,394	69.58%
Capital Improvement Fund	181,000	2.33%	374,000	4.72%
Debt Service	1,847,837	23.79%	1,701,852	21.48%
Deferred Charges & Statutory Expenditures	647,418	8.34%	335,000	4.23%
Refund of Prior Year Revenue	7,050	0.09%		
Total Expenditures	7,766,102	100.00%	7,924,246	100.00%
Excess to Fund Balance	1,295,797		1,210,582	
Fund Balance January 1	2,085,111		2,151,273	
Adjustments to Income Before Fund Balance Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years Budgets	80,000		500,000	
Total	3,460,908		3,861,855	
Less: Fund Balance Utilized as Revenue	1,585,000		1,776,744	
Fund Balance December 31	\$1,875,908		2,085,111	

**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
2005	\$80,032,281	79,191,154	98.95%
2004	75,548,090	74,752,703	98.95%
2003	69,667,408	68,695,074	98.60%

Comparison of Tax Rate Information

	2005 (1)	2004 (1)	2003 (1)
Total Tax Rate	\$4.020	\$3.832	\$3.590
Apportionment of Tax Rate:			
Municipal	0.548	0.474	0.451
County	0.734	0.720	0.712
Local School	2.678	2.578	2.367
Municipal Open Space	0.060	0.060	0.060

(1) Does Not Include Fire District Tax

Net Valuation Taxable:

2005	<u>\$1,918,047,214</u>	
2004		<u>\$1,892,079,021</u>
2003		<u>\$1,849,459,245</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
2005	\$582,820	633,873	1,216,693	1.52%
2004	546,998	726,043	1,273,041	1.69%
2003	508,482	911,016	1,419,498	2.04%

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
2005	\$101,300
2004	296,800
2003	296,800

Comparison of Water Utility Levies

YEAR	LEVY
2005	\$7,201,461
2004	5,676,726
2003	5,354,314

**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	TRUST ASSESSMENT
2006	\$2,433,991	1,576,564	17,394
2007	2,400,562	1,454,548	7,174
2008	2,372,026	1,310,899	6,132
2009	2,127,838	1,256,563	5,974
2010	2,033,576	1,196,992	5,811

Comparative Schedule of Fund Balance

CURRENT FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2005	\$5,336,584	4,849,610
2004	4,986,358	4,737,000
2003	5,442,123	5,170,017
2002	4,651,730	4,421,686
2001	4,462,893	4,233,382

WATER-SEWER OPERATING FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2005	\$1,875,908	1,090,678
2004	2,085,111	1,585,000
2003	2,151,273	1,776,744
2002	3,604,953	1,832,985
2001	4,734,804	2,705,143

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	POSITION	AMOUNT OF BOND
Kevin E. Aberant	Mayor	
Jonathan Eron	Acting Mayor	
Howard A. Miller, Jr.	Councilman	
Daniel Roccato	Councilman	
Ann Bernice Segal	Councilwoman	
John T. Terry	Township Manager	
Patricia Hunt	Township Clerk	
Thomas J. Merchel	Director of Finance Deputy Manager	\$ 250,000
Dorothy A. Samartino	Tax Collector, Tax Search Officer and Collector of Water & Sewer Rents	\$ 275,000
David Serlin, Esq.	Solicitor	
Phillip Iapalucci, Esq.	Acting Judge of the Municipal Court	\$ 78,000
Helena E. Robinson	Municipal Court Administrator	\$ 78,000
Steven Holmes	Construction Code Official	
Remington, Vernick & Arango, Inc.	Engineer	
Dennis J. Bianchini	Tax Assessor	

A Honesty Blanket Bond included in a special multi-peril policy of the Township bonds all Township employees except Township Council for a total of \$1,000,000.

**TOWNSHIP OF MOORESTOWN
COUNTY OF BURLINGTON**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005**



Holman & Frenia, P.C.
Certified Public Accountants & Consultants

The Honorable Mayor and Members of the
Township Council
Township of Moorestown
Moorestown, New Jersey 08057

We have audited the financial statements – statutory basis of the Township of Moorestown in the County of Burlington for the year ended December 31, 2005.

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 Council 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 from January 1, 2005 and \$21,000 from July 1, 2005 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:

MEDFORD OFFICE

618 Stokes Road, Medford, NJ 08055
Phone: (609) 953-0612 • Fax: (609) 953-8443

www.holmanfrenia.com

TOMS RIVER OFFICE

10 Allen Street, Suite 2B, Toms River, NJ 08753
Phone: (732) 797-1333 • Fax: (732) 797-1022

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

Renovations to Park Bathrooms
Haines Mill Road Drainage Project
Revaluation Project

Pearl Street Upgrade
Purchase of Public Works Equipment
Athletic Field Mowing
Liquid Corrosion Chemicals

A test was conducted to determine that expenditures greater than \$2,625 from January 1, 2005 and \$3,150 from July 1, 2005 obtained solicitation of quotes. No exceptions were noted.

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 Council.

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 not reveal any 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*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 from January 1, 2005 and \$3,150 from July 1, 2005 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 3, 2005 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable."

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

The Township also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2005 included real estate taxes for 2005 and 2003.

The outstanding 2003 and 2005 real estate taxes were for properties that had filed for bankruptcy thus barring tax sale procedure.

The last tax sale was held on October 20, 2005 and was complete.

Inspection of 2005 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
2005	16
2004	16
2003	13

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.

Deductions From Taxes

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

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.

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. Also the examination ascertained that the accumulated withholdings were disbursed to the proper agencies and state and federal agency reports were filed correctly and timely.

Minute Excerpts

***Finding 2005-01:**

Various minutes of meetings throughout 2005 were not available for audit examination. Minutes need to be prepared, approved by Council and retained as permanent records of the Township.

Recommendation:

That all minute excerpts be finalized and approved in a timely manner.

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.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

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

***Finding 2005-02:**

The Bail Account was not accurately reconciled as there exists \$1,197 of unknown bail at year-end.

Recommendation:

That the Bail Account be reconciled accurately on a monthly basis as to the allocation of money being held at year-end.

Tax Collector's Annual Report

N.J.S.54:4-91 requires that on or before May 1st of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2003 with the governing body.

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 was filed with the governing body by February 10, 2003.
- (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.

Results of Verification Notices

Type	Mailed	No Reply	Confirmed by Response	By Other Procedures
Delinquent Tax Balances	<u>8</u>	<u>5</u>	<u>3</u>	<u>5</u>

Original requests were sent. The response rate was 37.5% and thus no conclusion could be reached as a result of this test. Subsequent methods were utilized to confirm delinquent outstanding balances where possible. No exceptions came to our attention from the verification notices received.

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 the one marked with an asterisk (*).

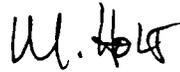
Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team. The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should 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.

A handwritten signature in black ink, appearing to read "M. Holt". The signature is written in a cursive style with a large initial "M" and a stylized "Holt".

Michael Holt
Registered Municipal Accountant
No. CR473

Medford, New Jersey
May 10, 2006