

TOWNSHIP OF MOORESTOWN
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2011

**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, 2011**



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 comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Moorestown, State of New Jersey as of December 31, 2011 and 2010, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, and the related comparative statement of revenues--regulatory basis, comparative statement of expenditures--regulatory basis and comparative statement of general fixed assets as of December 31, 2011 and 2010. 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.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

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Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Moorestown, State of New Jersey, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2012, on our consideration of the Township of Moorestown, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

Medford, New Jersey
May 11, 2012



Certified Public Accountants & Consultants

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

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

We have audited the financial statements of the Township of Moorestown, County of Burlington, State of New Jersey, as of and for the fiscal year ended December 31, 2011, and have issued our report thereon dated May 11, 2012. Our report rendered a qualified opinion and disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination

of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Comment and Recommendation Section as Finding No.'s: 2011-01 and 2011-02 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Comment and Recommendation Section as Finding No: 2011-03 to be a significant deficiency.

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 two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which are described in the accompanying Comment and Recommendation Section as Finding No's: 2011-01 and 2011-02.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

Medford, New Jersey
May 11, 2012

FINANCIAL STATEMENTS

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

ASSETS	REFERENCE	2011	2010
Regular Fund:			
Cash:			
Treasurer	A-4	\$8,376,443	9,916,486
Change Fund	A-5	475	475
Investments	A-4	53,431	
Total		<u>8,430,349</u>	<u>9,916,961</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	882,795	691,690
Tax Title Liens Receivable	A-7	862,756	812,988
Foreclosed Property - Assessed Valuation	A-8	101,300	101,300
Revenue Accounts Receivable	A-9	19,762	16,423
Due From Interfunds:			
State & Federal Grants	A	219,192	
Dog License Fund	A	9,432	
Payroll	E		6
Bond & Coupon Account	A	6,966	6,966
Total Receivables & Other Assets With Full Reserves		<u>2,102,203</u>	<u>1,629,373</u>
Other Accounts Receivable:			
Due from State of NJ - Burial Permits	A	75	70
Total Other Accounts Receivable		<u>75</u>	<u>70</u>
Deferred Charges To Future Taxation:			
Special Emergency Appropriation	A		116,640
Total			<u>116,640</u>
Total Regular Funds		<u>10,532,627</u>	<u>11,663,044</u>
Federal & State Grants:			
State Grants Receivable	A-12	405,859	98,624
Due From Current Fund	A		64,552
Total State & Federal Grants		<u>405,859</u>	<u>163,176</u>
Total Assets		<u>\$10,938,486</u>	<u>11,826,220</u>

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

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

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$535,615	738,065
Reserve for Encumbrances	A-3	537,188	521,257
Accounts Payable	A	73,707	35,849
Due County for Added & Omitted Taxes	A-6	55,538	39,159
Local District School Taxes Payable	A-11	4,696,811	4,728,449
Prepaid Taxes	A-4,A-6	685,162	631,554
Tax Overpayments	A	156,084	159,026
Due to State of New Jersey for Senior Citizen & Veteran Deductions	A	21,553	22,303
Due to State - Marriage License Fees	A	512	587
Due to State - DCA Fees	A	15,372	11,844
Due to Interfunds:			
General Capital	C	2,087	280
Federal & State Grant	A		64,552
Dog License Fund	B		4
Trust Assessment Fund	B	5,524	4,762
Other Trust Fund	B	16,097	50,210
Payroll Fund	E	120	
Utility Operating Fund	D	6,344	5,488
Utility Assessment Fund	D	1,098	555
Reserve for:			
Tax Appeals	A	383,787	494,391
Tax Assessment Revaluation	A	262	262
Subtotal Regular Fund		<u>7,192,861</u>	<u>7,508,597</u>
Reserve for Receivables & Other Assets	A	2,102,203	1,629,373
Fund Balance	A-1	<u>1,237,563</u>	<u>2,525,074</u>
Total Regular Fund		<u>10,532,627</u>	<u>11,663,044</u>
State & Federal Grants:			
Reserve for Federal & State Grants:			
Appropriated	A-13	122,079	84,607
Unappropriated	A-14	41,716	26,813
Encumbrances	A-13	22,872	51,756
Due to Current Fund	A	<u>219,192</u>	
Total State & Federal Grants		<u>405,859</u>	<u>163,176</u>
Total Liabilities, Reserves & Fund Balance		<u>\$10,938,486</u>	<u>11,826,220</u>

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 - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	REFERENCE	2011	2010
Revenue & Other Income Realized:			
Fund Balance Utilized	A-1,A-2	\$2,407,500	2,250,480
Miscellaneous Revenue Anticipated	A-2	4,665,181	4,762,148
Receipts From Delinquent Taxes & Tax Title Liens	A-2	676,254	882,106
Receipts From Current Taxes	A-2	91,483,411	91,656,052
Nonbudget Revenue	A-2,A-9	203,365	312,594
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	590,720	603,183
Cancellation of Prior Year Accounts Payable	A	16,680	15,235
Cancellation of Grant Appropriations	A-13		11,835
Interfunds Liquidated	A	5	151
Total		100,043,116	100,493,784
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries & Wages	A-3	8,023,005	8,129,605
Other Expenses	A-3	5,972,389	6,160,723
Deferred Charges & Statutory Expenditures	A-3	1,850,988	1,459,324
Excluded From "CAPS":			
Operations:			
Salaries & Wages	A-3	98,555	102,072
Other Expenses	A-3	2,027,736	1,890,110
Capital Improvements	A-3	75,000	122,000
Municipal Debt Service	A-3	3,464,209	3,355,649
Fire District Taxes	A-6	2,432,158	2,417,592
County Taxes	A-6	15,886,940	16,014,677
Local District School Tax	A-11	58,402,906	58,402,906
Municipal Open Space	A-6	465,789	469,646
Senior Citizen & Veteran Deductions Disallowed:			
Prior Year	A	3,750	8,750
Refund of Prior Year Revenue	A	250	
Cancellation of Grants	A-12		9,858
Interfund Reserves Created	A	219,452	5
Total Expenditures		98,923,127	98,542,917
Excess/(Deficit) in Revenue		1,119,989	1,950,867
Statutory Excess to Fund Balance		1,119,989	1,950,867
Fund Balance January 1	A	2,525,074	2,824,687
Total		3,645,063	4,775,554
Decreased by: Utilization as Anticipated Revenue	A-1,A-2	2,407,500	2,250,480
Fund Balance December 31	A	\$1,237,563	2,525,074

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

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

	APPROPRIATED		EXCESS OR (DEFICIT)
	BUDGET	BY N.J.S.A.40A:47-87 REALIZED	
Fund Balance Utilized	\$2,407,500	2,407,500	
Miscellaneous Revenue:			
Licenses - Other	500	309	(191)
Fees & Permits - Other	88,000	98,945	10,945
Fines & Costs - Municipal Court	260,000	276,129	16,129
Interest & Costs on Taxes	245,000	205,443	(39,557)
Parking Meters	20,000	22,511	2,511
Interest on Investments & Deposits	161,638	143,116	(18,522)
Recreation Fees	95,000	103,385	8,385
Police Accident Report Fees	5,000	3,508	(1,492)
Special Police Duty Service Charges	175,000	149,880	(25,120)
Street Opening Permits	2,500	2,075	(425)
Cable Television Fees	68,677	68,678	1
Consolidated Municipal Property Tax Relief Act	224,859	224,859	
Energy Receipts Tax	1,569,104	1,569,104	
Supplemental Franchise & Gross Receipts Tax (P.S.E.& G.)	240,000	244,925	4,925
Fees & Permits:			
Uniform Construction Code	266,500	280,089	13,589
Reserve for Payment of Bonds	100,000	100,000	
Anticipated General Capital Surplus	24,000	24,000	
W & S Fund Administration Expense	275,000	275,000	
Shared Service Reimbursements	17,500	17,700	200
Library Services Reimbursement	125,000	125,000	
BOE Reimbursement - Resource Officer	122,500	127,272	4,772
County Snow Removal	49,910	49,910	
JIF Settlement Payment	7,500	7,500	
Tower Rents	97,000	106,476	9,476
State Grants:			
Body Armor Replacement	3,338	3,338	
Emergency Management Assistance		5,000	5,000
Recycling Tonnage	23,474	23,474	
Municipal Parks Development Grant		250,000	250,000
Recreation Improvement Trust		22,200	22,200
2009 EMPG Exercise Grant	8,000	8,000	
Clean Communities Program	35,820	35,820	
Safe & Secure Communities	57,735	57,735	
Recovery Act:			
Ed Byrne Memorial Justice Assistance	13,900	13,900	
Tree Replacement Trust	2,500	2,500	
Municipal Alliance on Alcoholism & Drug Abuse	17,400	17,400	

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

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

	BUDGET	APPROPRIATED BY N.J.S.A.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Total Miscellaneous Revenues	4,402,355	277,200	4,665,181	(14,374)
Receipts From Delinquent Taxes	<u>665,000</u>		<u>676,254</u>	<u>11,254</u>
Subtotal General Revenues	<u>7,474,855</u>	<u>277,200</u>	<u>7,748,935</u>	<u>(3,120)</u>
Local Tax for Municipal Purposes	13,901,345		15,963,806	2,062,461
Minimum Library Tax	<u>1,526,818</u>		<u>1,526,818</u>	
Budget Totals	22,903,018	277,200	25,239,559	2,059,341
Nonbudget Revenues			<u>203,365</u>	<u>203,365</u>
Total	<u>\$22,903,018</u>	<u>277,200</u>	<u>25,442,924</u>	<u>2,262,706</u>

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$91,483,411
Less: School, County Taxes, Special District & Open Space	<u>77,187,793</u>
Balance for Support of Municipal Budget Appropriations	14,295,618
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,668,188</u>
Total Amount for Support of Municipal Budget Appropriation	<u>\$15,963,806</u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	<u>\$676,254</u>
Total Receipts From Delinquent Taxes	<u>\$676,254</u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:	
Miscellaneous Advertising Fee	\$4,390
Interest & Cost on Assessment Lien	54
False Alarm Fees	50,000
Peddler/Solicitor Permit	1,575
Developer Application Fees	10,675
Miscellaneous Clerk	1,318
Street Maps	48
Zoning Maps	36
Photo Copies	127
Prior Year Insurance Refunds	4,500
Mend Rent Payment in Lieu of Taxes	27,302
Zoning Officer	780
Scrap Metal	5,584
Towing Fees	720
Miscellaneous - MRNA	50,550
MFS - Summer Trash Pickup	6,390
State of NJ 2% Administration Fee	4,473
Miscellaneous Collector	580
Refund Prior Year Expenditures	<u>34,263</u>
Total	<u>\$203,365</u>

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

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

OPERATIONS WITHIN "CAPS"	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
General Government:						
General Administration:						
Salaries and Wages	\$303,064	259,564	258,732		832	
Other Expenses	72,300	72,300	59,190	10,444	2,666	
Human Resources:						
Other Expenses	10,875	10,875	7,934	45	2,896	
Mayor & Council:						
Salaries and Wages	24,795	24,795	24,795			
Other Expenses	6,775	6,775	6,212	164	399	
Municipal Clerk:						
Salaries and Wages	72,248	73,998	73,407		591	
Other Expenses	21,225	21,225	18,364	508	2,353	
Financial Administration (Treasury):						
Office of Controller:						
Salaries and Wages	203,257	188,257	187,830		427	
Other Expenses	19,050	22,050	16,999	3,178	1,873	
Auditing Services:						
Other Expenses	25,000	25,000	25,000			
Computer Data Processing:						
Salaries and Wages	41,482	41,482	41,482			
Other Expenses	9,975	9,975	8,516	50	1,409	
Revenue Administration (Tax Collection):						
Salaries and Wages	137,594	139,344	137,309		2,035	
Other Expenses	30,750	31,750	30,706	296	748	
Tax Assessment:						
Salaries and Wages	111,716	112,941	112,940		1	
Other Expenses	33,925	33,925	9,494	13,718	10,713	
Legal Services (Legal Department):						
Other Expenses	123,500	123,500	106,078		17,422	
Engineering Services:						
Other Expenses	36,000	26,000	18,436	1,500	6,064	
Economic Development Agencies:						
Other Expenses	2,500	2,500	2,500			

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

OPERATIONS WITHIN "CAPS"	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Land Use Administration:						
Planning Board:						
Salaries and Wages	180,731	180,731	174,486		6,245	
Other Expenses	38,100	28,100	17,225	123	10,752	
Zoning Board of Adjustments:						
Salaries and Wages	90,390	90,390	86,080		4,310	
Other Expenses	10,225	10,225	8,278		1,947	
Insurance:						
Unemployment Compensation	5,000	5,000	5,000			
Worker's Compensation	203,000	203,000	202,705		295	
Employee Group Insurance	2,190,700	2,190,700	2,137,816	4,467	48,417	
Other Insurance Premiums	169,000	169,000	168,534		466	
Health Benefit Waiver	16,860	16,860	13,924		2,936	
Public Safety Functions:						
Police:						
Salaries and Wages	4,354,813	4,354,813	4,275,604		79,209	
Other Expenses	126,737	141,737	94,069	39,472	8,196	
Prosecutor:						
Salaries and Wages	19,972	19,972	19,971		1	
Public Works Functions:						
Department of Public Works:						
Office of the Director:						
Salaries and Wages	248,645	250,645	249,956		689	
Other Expenses	6,975	6,975	5,541	670	764	
Road Repairs & Maintenance:						
Salaries and Wages	722,456	674,478	665,421		9,057	
Other Expenses	188,025	188,025	160,560	18,944	8,521	
Building & Grounds:						
Other Expenses	186,540	186,540	104,708	60,735	21,097	
Shade Tree:						
Salaries and Wages	151,961	151,961	151,132		829	
Other Expenses	94,500	94,500	13,484	80,380	636	
Shade Tree Advisory Committee:						
Other Expenses	2,000	2,000	1,483	419	98	

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

OPERATIONS WITHIN "CAPS"	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Public Works Functions (continued):						
Maintenance of Motor Vehicles:						
Salaries and Wages	77,721	77,721	76,175		1,546	
Other Expenses	145,750	145,750	125,074	15,620	5,056	
Division of Sanitation:						
Salaries and Wages	694,644	694,644	691,351		3,293	
Other Expenses	85,550	85,550	58,096	23,125	4,329	
Health & Human Services:						
Environmental Committee:						
Other Expenses	2,000	2,000	400		1,600	
Animal Control:						
Contractual Service	12,300	12,300	12,300			
Contributions to Social Services Agencies:						
Other Expenses	2,000	2,000	1,260	740		
Parks & Recreation:						
Recreation Services & Programs:						
Salaries and Wages	265,181	265,181	255,532		9,649	
Other Expenses	93,740	93,740	67,199	24,130	2,411	
Parks & Playgrounds:						
Salaries and Wages	61,145	61,145	52,452		8,693	
Other Expenses	70,562	70,562	18,375	39,384	12,803	
Utility Expenses & Bulk Purchases:						
Electricity	325,000	375,000	305,522	55,142	14,336	
Street Lighting Other Expenses	300,000	295,000	257,449	27,500	10,051	
Telephone Expenses	76,950	73,950	68,114	516	5,320	
Water	3,750	6,250	5,217	355	678	
Gas (Natural/Propane)	42,000	42,000	29,282	5,900	6,818	
Telecommunications	37,500	37,500	27,238		10,262	
Gasoline	258,000	303,000	255,796	41,041	6,163	
Solid Waste Disposal:						
Other Expenses	676,100	676,100	593,624	59,676	22,800	
Uniform Construction Code:						
Division of Building & Inspection:						
Salaries and Wages	144,697	144,697	143,277		1,420	
Other Expenses	20,300	20,300	8,892	8,541	2,867	

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

OPERATIONS WITHIN "CAPS"	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Municipal Court:						
Salaries and Wages	153,746	153,746	152,364		1,382	
Other Expenses	17,500	19,000	17,348	405	1,247	
Public Defender:						
Other Expenses	8,850	8,850	8,580		270	
Unclassified:						
Sick Sell - Back	40,000	40,000			40,000	
Reserve for Salary Increases	7,747					
Condo Services	75,000	75,000			75,000	
Accumulated Leave Compensation:						
Salaries and Wages	5,000	22,500	22,500			
Total Operation Within "CAPS"	13,995,394	13,995,394	12,955,318	537,188	502,888	
Detail:						
Salaries and Wages	8,113,005	8,023,005	7,852,796		170,209	
Other Expenses (Including Contingent)	5,882,389	5,972,389	5,102,522	537,188	332,679	
Deferred Charges/Statutory Expenditures - Municipal Within "CAPS":						
Social Security	400,000	400,000	368,066		31,934	
Public Employees Retirement System	419,932	419,932	419,932			
Police & Fire Retirement System	1,028,556	1,028,556	1,028,555		1	
Defined Contribution Plan	2,500	2,500	1,708		792	
Total Deferred Charges & Statutory Expenditures Within "CAPS"	1,850,988	1,850,988	1,818,261		32,727	
Total General Appropriations for Municipal Purposes Within "CAPS"	15,846,382	15,846,382	14,773,579	537,188	535,615	

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

OPERATIONS EXCLUDED FROM "CAPS"	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Maintenance of Free Public Library:						
Other Expenses	1,526,818	1,526,818	1,526,818			
Statutory Expenditures:						
Recycling Tax	28,900	28,900	28,900			
Public & Private Programs Offset by Revenues:						
Supplemental Fire Services Program	5,979	5,979	5,979			
NJ Council on Alcohol & Drug Abuse:						
State Share	17,400	17,400	17,400			
Local Share	4,350	4,350	4,350			
Clean Communities Act	35,820	35,820	35,820			
Body Armor Replacement Fund	3,338	3,338	3,338			
Recovery Act -						
Ed Byrne Memorial Justice Assistance	13,900	13,900	13,900			
Municipal Parks Development Grant		250,000	250,000			
Recreation Improvement Trust		22,200	22,200			
Recycling Tonnage	23,474	23,474	23,474			
Tree Replacement	2,500	2,500	2,500			
Emergency Management Assistance		5,000	5,000			
Safe & Secure Neighborhoods	57,735	57,735	57,735			
2009 - EMPG Exercise Grant	8,000	8,000	8,000			
Total Operations Excluded From "CAPS"	1,728,214	2,005,414	2,005,414			
Detail:						
Salaries and Wages	93,555	98,555	98,555			
Other Expenses	1,634,659	1,906,859	1,906,859			
Capital Improvements - Excluded from "CAPS":						
Capital Improvement	75,000	75,000	75,000			
Total Capital Improvements Excluded from "CAPS"	75,000	75,000	75,000			

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

ASSETS	REFERENCE	2011	2010
Other Trust Funds:			
Cash - Collector - Treasurer	B-2	\$6,339,080	5,477,303
Investments	B-2	8,753	
Due from Current Fund	A	16,097	50,210
Total Other Trust Funds		<u>6,363,930</u>	<u>5,527,513</u>
Assessment Fund:			
Cash - Treasurer	B-2,B-3	9,709	17,269
Investments	B-2,B-3	3,563	
Assessments Receivable	B-4	529	1,394
Assessment Liens	B-5	287	287
Due from Current Fund	A	5,524	4,762
Total Assessment Funds		<u>19,612</u>	<u>23,712</u>
Dog License Fund:			
Cash - Treasurer	B-2	28,813	20,609
Due from Current Fund	A, B-12		4
Due from Clerk	B-7		2
Total Dog License Fund		<u>28,813</u>	<u>20,615</u>
Total Assets		<u>\$6,412,355</u>	<u>5,571,840</u>

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

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

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2011	2010
Other Trust Funds:			
Reserve for:			
Tax Title Lien Redemption	B-13	\$5,773	4,412
Special Law Enforcement Fund	B-13	3,234	18,327
Confiscated Funds	B-13	1,635	1,620
Unemployment Compensation	B-13	70,194	69,605
Uniform Construction Code:			
Third Party Inspection Fees	B-13	350,790	321,212
Health Benefits Insurance & Self Insurance	B-13	1,124	3,356
Premium Received at Tax Sale	B-13	399,910	430,641
Recreation Improvements	B-13	66	35,966
Cash Performance Guarantees	B-13	1,704,274	1,049,462
Miscellaneous Escrow Deposits	B-13	409,666	235,968
Low & Moderate Housing Trust Fund	B-13	1,030,697	1,011,044
Open Space Trust	B-13	1,740,357	1,637,050
Teleport Aesthetic Fee	B-13	76,200	76,200
Tree Replacement Fund	B-13	2,540	5,040
CASA	B-13	100	
Library Insurance	B-13	100	
Tree Remembrance Fund	B-13	3,687	3,653
Snow Removal Fund	B-13	54,256	60,580
Recreation Donation Trust	B-13	5,567	6,724
Renaissance Fund	B-13	26,889	26,908
POAA	B-13	1,390	1,216
South Lenola Road	B-13	9,765	9,765
Strawbridge Lake	B-13	7,827	7,827
Sidewalk Repairs	B-13	6,370	6,370
Gym Repairs	B-13	2,688	2,688
Recreation Funds	B-13	102,111	93,481
Accumulated Leave Fund	B-13	346,720	408,398
		<hr/>	<hr/>
Total Other Trust Funds		6,363,930	5,527,513
Assessment Funds:			
Bonds Payable	B-10	8,260	12,360
Reserve for Assessments & Liens	B-9	767	767
Fund Balance	B-1	10,585	10,585
		<hr/>	<hr/>
Total Assessment Funds		19,612	23,712
Dog License Fund:			
Due Township Clerk's Account	B-7	1	
Due Current Fund	B-12	9,432	
Due to State of New Jersey	B-11	1	4
Reserve for Dog Fund Expenditures	B-6	19,379	20,611
		<hr/>	<hr/>
Total Dog License Fund		28,813	20,615
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$6,412,355	5,571,840

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

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

ASSETS	REFERENCE	2011	2010
Cash	C-2	\$2,187,133	3,909,318
Due from Current Fund	C-4,A	2,087	280
Accounts Receivable:			
Department of Transportation	C	180,000	37,500
Deferred Charges to Future Taxation:			
Funded	C-5	24,478,469	26,961,651
Unfunded	C-3	3,315,948	1,678,434
Total Assets		\$30,163,637	32,587,183
 LIABILITIES, RESERVES & FUND BALANCE			
Reserve for Encumbrances	C-6	\$876,479	1,192,913
Bond Anticipation Notes	C-10	250,000	375,000
Serial Bonds	C-8	24,432,975	26,894,080
Green Acres Loan	C-9	45,494	67,571
Improvement Authorizations:			
Funded	C-6	908,864	1,075,276
Unfunded	C-6	1,894,077	1,296,057
Reserve For Payment of Debt Service	C-12	258,855	219,378
Reserve For Turf Field Replacement	C	44,580	35,664
Reserve For Town Hall Insurance Settlement	C-13	1,129,676	1,204,676
Capital Improvement Fund	C-7	204,771	152,271
Fund Balance	C-1	117,866	74,297
Total Liabilities, Reserves & Fund Balance		\$30,163,637	32,587,183

There were bonds and notes authorized but not issued on December 31, 2011 of \$3,065,947 and on December 31, 2010 was \$1,303,434.

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

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

ASSETS	REFERENCE	2011	2010
Operating Fund:			
Cash - Treasurer	D-5	\$4,031,665	1,965,846
Investments	D-5	2,772	
Due Interfunds:			
Current Fund	A	6,344	5,488
Utility Capital Fund	D	89,243	
Utility Assessment Fund	D	734	1
		<hr/>	<hr/>
Total		4,130,758	1,971,335
Receivables & Other Assets With Full Reserves:			
Utility Charges Receivable	D-9	666,665	785,288
		<hr/>	<hr/>
Total Receivable & Other Assets With Full Reserves		666,665	785,288
		<hr/>	<hr/>
Total Operating Fund		4,797,423	2,756,623
Assessment Trust Fund:			
Cash - Treasurer	D-5	81,893	81,159
Due from Current Fund	A	1,098	555
Assessments Receivable	D-10	2,123	2,666
Assessments Held in Abeyance	D-11	58,102	58,102
		<hr/>	<hr/>
Total Assessment Trust Fund		143,216	142,482
Capital Fund:			
Cash - Treasurer	D-5	4,082	717,688
Investments	D-5	8,173	
Fixed Capital:			
Completed	D-12	44,027,152	43,973,195
Authorized & Uncompleted	D-13	3,042,250	2,992,250
Due Utility Operating Fund	D		39
		<hr/>	<hr/>
Total Capital Fund		47,081,657	47,683,172
		<hr/>	<hr/>
Total Operating & Capital Fund		\$52,022,296	50,582,277
		<hr/> <hr/>	<hr/> <hr/>

Bonds and Notes authorized but not issued as of December 31, 2011 was \$1,448,750 and as of December 31, 2010 was \$1,401,250.

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

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

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4	\$791,783	151,298
Reserve for Encumbrances	D-4	1,013,181	202,707
Overpayments	D	184	166
Accounts Payable	D-5		1,655
Accrued Interest on Bonds	D-15	75,384	89,361
Due Water & Sewer Capital Fund	D		39
		<hr/>	<hr/>
Subtotal		1,880,532	445,226
		<hr/>	<hr/>
Reserve for Receivables	D	666,665	785,288
Fund Balance	D-1	2,250,226	1,526,109
		<hr/>	<hr/>
Total Operating Fund		4,797,423	2,756,623
		<hr/>	<hr/>
Assessment Trust Fund:			
Reserve for Assessments	D-17	60,225	60,767
Due Water & Sewer Operating Fund	D	734	1
Fund Balance	D-2	82,257	81,714
		<hr/>	<hr/>
Total Assessment Trust Fund		143,216	142,482
		<hr/>	<hr/>
Capital Fund:			
Reserve for Encumbrances	D-18	148,416	290,980
Serial Bonds	D-23	5,913,765	7,152,560
Improvement Authorizations:			
Funded	D-18	244,714	243,571
Unfunded	D-18	415,036	1,248,330
Reserves for:			
Amortization	D-20	39,525,137	38,232,385
Deferred Amortization	D-21	181,750	179,250
Capital Improvement Fund	D-19	434,326	206,826
Due Utility Operating Fund	D	89,243	
Fund Balance	D-24	129,270	129,270
		<hr/>	<hr/>
Total Capital Fund		47,081,657	47,683,172
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$52,022,296	50,582,277
		<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 - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Utilized	\$793,278	725,000
Service Charges	8,192,657	7,577,978
Other Anticipated Revenues		165,000
Interest on Investments	32,004	24,505
Miscellaneous	1,168,459	521,833
Unexpended Balance of Appropriation Reserves	123,622	451,769
	<hr/>	<hr/>
Total Income	10,310,020	9,466,085
Expenditures:		
Budget Appropriations:		
Operating	6,537,500	6,156,824
Capital Improvements	432,500	57,500
Debt Service	1,472,558	1,484,807
Deferred Charges & Statutory Expenditures	336,971	296,200
Refund of Prior Revenue	13,096	
	<hr/>	<hr/>
Total Expenditures	8,792,625	7,995,331
Statutory Excess to Fund Balance	1,517,395	1,470,754
Fund Balance January 1	1,526,109	780,355
	<hr/>	<hr/>
Total	3,043,504	2,251,109
Less: Utilized by Operating Budget	793,278	725,000
	<hr/>	<hr/>
Balance December 31	\$2,250,226	1,526,109
	<hr/>	<hr/>

**WATER-SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - (STATUTORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$81,714
Increased by:	
Collections of Unpledged Assessments	543
	<hr/>
Balance December 31, 2011	\$82,257
	<hr/>

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

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Operating Surplus Anticipated	\$793,278	793,278	
Water Use Charges	4,450,000	4,767,179	317,179
Sewer Use Charges	2,750,000	3,108,121	358,121
Hydrants	315,000	317,357	2,357
Interest on Investments	20,000	32,004	12,004
Miscellaneous - Water	454,488	581,643	127,155
Miscellaneous - Sewer	22,000	586,816	564,816
Total	<u>\$8,804,766</u>	<u>10,186,398</u>	<u>1,381,632</u>
Fund Balance Realized as Revenue			
		\$793,278	
Other Revenues/Interfunds			
		(15,016)	
Cash Receipts			
		<u>9,408,136</u>	
Total		<u>\$10,186,398</u>	

ANALYSIS OF REALIZED REVENUES

Miscellaneous - Water:		
Penalties on Delinquent Accounts		\$39,807
Meter Pit Covers		2,360
Water Connection Fees		52,962
Tower Rental Fees		425,903
Miscellaneous		<u>60,611</u>
Total		<u>\$581,643</u>
Miscellaneous - Sewer:		
Sewer Connection Fees		\$572,591
Miscellaneous		<u>14,225</u>
Total		<u>\$586,816</u>

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

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

	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELED
Operating:					
Salaries & Wages	\$1,804,089	1,804,089	1,652,942	151,147	
Other Expenses	4,733,411	4,733,411	4,254,544	478,867	
Capital Improvements:					
Capital Improvement Fund	230,000	230,000	230,000		
Capital Outlay	202,500	202,500	72,113	130,387	
Debt Service:					
Payment of Bond Principal	1,238,795	1,238,795	1,238,795		
Interest on Bonds	234,000	234,000	233,763		237
Interest on Notes	25,000	25,000			25,000
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	150,000	150,000	118,618	31,382	
PERS	181,971	181,971	181,971		
Unemployment/Disability Insurance	5,000	5,000	5,000		
Total Expenditures	\$8,804,766	8,804,766	7,987,746	791,783	25,237
Reference	D-3			D	
Original Budget		<u>\$8,804,766</u>			
Total		<u>\$8,804,766</u>			
		REFERENCE			
Accrued Interest on Bonds		D-16	(\$13,977)		
Reserve for Encumbrances		D	1,013,181		
Refunds			(16,468)		
Cash Disbursed		D-5	<u>7,005,010</u>		
Total			<u>\$7,987,746</u>		

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

**TOWNSHIP OF MOORESTOWN
PAYROLL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash	E-1	\$135,001	118,888
Due from Current Fund	A	<u>120</u>	
Total		<u>\$135,121</u>	<u>118,888</u>
 LIABILITIES			
Payroll Deductions Payable		\$135,121	118,882
Due to Current Fund	A		<u>6</u>
Total		<u>\$135,121</u>	<u>118,888</u>

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

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

ASSETS	2011	2010
Land & Buildings	\$38,567,337	38,567,337
Equipment & Vehicles	9,319,316	9,440,656
	<hr/>	<hr/>
Total	\$47,886,653	48,007,993
	<hr/>	<hr/>
FUND BALANCE		
Investment in General Fixed Assets	\$47,886,653	48,007,993
	<hr/>	<hr/>

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, 2011**

TOWNSHIP OF MOORESTOWN

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

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 for government utility operations, 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, 2011

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 has 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.

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

TOWNSHIP OF MOORESTOWN

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

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

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 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 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 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 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 per day.

The maximum benefit payable under this provision shall be ten thousand dollars (\$10,000).

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 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 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 per day.
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 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 per day.

TOWNSHIP OF MOORESTOWN

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

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

The maximum benefit payable under this provision shall be twenty thousand dollars (\$22,000).

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 and Police up to 60 hours 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, 2011 is as follows:

	Employees Accrual	Township Share Of Payroll Taxes
Sick Time	\$ 456,738	\$20,111
Vacation Time	<u>655,976</u>	<u>23,323</u>
Total	<u>\$1,112,714</u>	<u>\$43,434</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, 2011 is \$346,720.

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 OF MOORESTOWN

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

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

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, 2011	Balance December 31, 2010
Local School Taxes:		
Balance of Tax	\$29,169,810	\$29,201,448
Deferred	<u>24,472,999</u>	<u>24,472,999</u>
Tax Payable	<u>\$ 4,696,811</u>	<u>\$ 4,728,449</u>

D. Subsequent Events

The Township has evaluated subsequent events occurring after December 31, 2011 through the date of May 11, 2012, which is the date the financial statements were available to be issued.

Note 2. Bonds and Notes Authorized But Not Issued

At December 31, 2011 the Township of Moorestown had debt authorized but not issued as follows:

General Capital Fund	\$3,065,947
Water & Sewer Utility Capital Fund	1,448,750

TOWNSHIP OF MOORESTOWN

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

Note 3. Fund Balance Appropriated

The following amounts of fund balance at December 31, 2011 were anticipated as revenue in the adopted 2012 budget:

	Fund Balance December 31, 2011	Anticipated In 2012 Budget
Current Fund	\$1,237,563	\$1,175,000
Water & Sewer Operating Fund	2,250,226	-0-

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. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of *N.J.S.A.43:15A* and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of *N.J.S.A.43:16A*. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

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

B. Vesting and Benefit Provisions

The vesting and benefit provisions of P.E.R.S. are set by *N.J.S.A.43:15A* and *43.3B*. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the

TOWNSHIP OF MOORESTOWN

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

Note 4. Pension Plans (continued):

average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The P.E.R.S. provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 4C below.

C. Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by $\frac{1}{2}$ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for P.E.R.S. were reduced.

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

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

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

TOWNSHIP OF MOORESTOWN

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

Note 4. Pension Plans (continued):

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

D. Contribution Requirements

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

Plan members are required to contribute 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and Moorestown Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and are established and may be amended by the plan's board of trustees. The Township's contributions were as follows:

	2011	2010	2009
Public Employees' Retirement System	\$ 601,903	\$475,316	\$466,417
Police & Firemen's' Retirement System	1,028,555	719,362	701,536
Consolidated Police & Firemen's' Pension Fund	-0-	-0-	13,984

The amount of the employer's current year covered payroll including Library employees for the PERS system was \$4,890,697. The amount of covered payroll for the PFRS system was \$3,427,259. The employees' contributions to both pension systems were \$281,080 or 5.75% of covered payroll for PFRS employees and \$303,767 or 8.86% for PFRS employees.

5. Deferred Charges to Be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011 the Township has no deferred charges to be reported on the balance sheets of their various funds.

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 6. Cash and Cash Equivalents:

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

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$21,192,984</u>
Total Deposits	<u>\$21,192,984</u>

Reconciliation of Statement of Comparative Balance Sheets:

Current:	
Treasurer	\$ 8,376,918
Water & Sewer Utility Operating	4,031,665
Dog Trust	28,813
Other Trust	6,339,080
General Capital	2,185,823
Water & Sewer Capital	4,082
Trust Assessment	9,709
Utility Assessment	81,893
Payroll	<u>135,001</u>
Total Reconciliation of Comparative Balance Sheets	<u>\$21,192,984</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits may not be returned. The Township does have a deposit policy for custodial credit risk. As of December 31, 2011, the Township’s bank balance of \$19,397,322 was insured or collateralized as follows:

Insured	\$ 500,000
Collateralized in the Township’s Name Under GUDPA (See Note 8)	<u>21,641,073</u>
Total	<u>\$22,141,073</u>

Note 7. Investments

A. Custodial Credit Risk

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 7. Investments (continued):

possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either the counterparty or the counterparty's trust department or agent but not in the Township's name. All of the Township's investments are held in the name of the Township and are collateralized by GUDPA.

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. 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 investments held at December 31, 2011, are provided in the above schedule.

C. 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;
- 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 Government 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.

TOWNSHIP OF MOORESTOWN
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 7. Investments (continued):

As of December 31, 2011, the Township had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Rating</u>	<u>Fair Value</u>
NJ Cash Management Fund	N/A	N/A	
Other Trust			\$ 8,753
Current			53,431
Trust Assessment			3,563
General Capital			1,310
Utility Capital			8,173
Utility Operating			<u>2,772</u>
 Total NJ CMF Investment			 <u>\$78,002</u>

Note 8. Governmental Unit Deposit Protection Act (GUDPA)

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

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

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

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by

TOWNSHIP OF MOORESTOWN

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

Note 8. Governmental Unit Deposit Protection Act (GUDPA) (continued):

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 9. Fixed Assets

The following schedule is a summarization of the General Fixed Assets by Source for the year ended December 31, 2011:

	Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011
Land & Buildings	\$38,567,337			\$38,567,337
Equipment & Vehicles	9,440,656	\$263,968	\$(385,308)	9,319,316
Total	<u>\$48,007,993</u>	<u>\$263,968</u>	<u>\$(385,308)</u>	<u>\$47,886,653</u>

TOWNSHIP OF MOORESTOWN

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

Note 10. 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 2011 for the joint insurance pool. The Township's cost of participation in 2011 was \$718,480 with a dividend credit of \$18,183 or a net expense of \$700,297.

Limits of coverage, per occurrence are as follow:

	Township Deductible	JIF	MEL	Third Party Carrier
Workman's Compensation & Employer's Liability	None	\$200,000	\$800,000	Statutory \$5,000,000
Property Damage, Automobile Physical Damage & Contractors Equipment	\$1,000	\$ 50,000	\$200,000	Ranging From \$25,000 to \$100,000,000
General Liability, Physical Damage, Automobile Liability and Police Professional Liability	None	\$200,000	\$800,000	Excess to \$5,000,000
Crime and Dishonesty	\$1,000	\$ 50,000		Excess to \$950,000
Excess Public Officials Bonds	Varies		\$2,000,000	*
Public Officials Employee Practices Liability	Varies		\$1,000,000	

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

Note 11. 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 accumulated twenty-five (25) years of service in the PFRS retirement system or has otherwise met the requirements of the PFRS retirement system and served the Township of Moorestown at least twenty (20) years and provided they have not yet attained the later of their 65th birthday or Medicare age of eligibility and that they annually certify to the satisfaction of the Township Manager that they have no other medical insurance coverage. Supervisory/Tech and Clerical

TOWNSHIP OF MOORESTOWN

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

Note 11. Other Post-Retirement Benefits (continued):

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 Township provides medical insurance coverage to an eligible Public Works retiree 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 coverage provided to all eligible retirees is in the same manner and type for permanent full-time employees.

Effective January 1, 2009, the Township will pay 90% of the medical insurance premiums for any eligible Supervisory/Technical, Clerical, Public Works and Police Dispatcher employee (hired before January 1, 2009 and retiring after January 1, 2008) and their family members provided the employee is at least 55 years of age and has not yet attained age 65 or Medicare age of eligibility, has worked for the township at least twenty-five (25) years and contributes 10% of the premium charged. For all non-police employees hired after January 1, 2009, the Township will pay 50% of the medical insurance premiums for any eligible retiree provided that the employee is at least 55 years of age and has not yet attained the later of age 65 or Medicare age of eligibility, has worked for the Township at least thirty (30) years and contributes 50% of the premium charged.

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 2011 year, net of participant contributions, was \$364,736. The number of participants in the plan was 17.

Note 12. Long-Term Debt

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

General Capital Serial Bonds:

	Principal	Interest	Total
2012	\$ 2,578,135	\$ 826,825	\$ 3,404,960
2013	2,625,840	736,134	3,361,974
2014	2,065,000	654,831	2,719,831
2015	2,146,000	580,673	2,726,673
2016	2,227,000	502,134	2,729,134
2017-2021	8,366,000	1,419,080	9,785,080
2022-2026	2,315,000	585,000	2,900,000
2027-2030	<u>2,110,000</u>	<u>185,175</u>	<u>2,295,175</u>
Total	<u>\$24,432,975</u>	<u>\$5,489,851</u>	<u>\$29,922,826</u>

TOWNSHIP OF MOORESTOWN

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

Note 12. Long-Term Debt (continued):

General Debt – Green Acres Loan

Year	Principal	Interest	Total
2012	\$22,520	\$ 799	\$23,319
2013	<u>22,974</u>	<u>345</u>	<u>23,319</u>
Total	<u>\$45,494</u>	<u>\$1,144</u>	<u>\$46,638</u>

Trust Assessment Bonds

Year	Principal	Interest	Total
2012	\$ 4,100	\$ 1,367	\$ 5,467
2013	<u>4,160</u>	<u>639</u>	<u>4,799</u>
Total	<u>\$ 8,260</u>	<u>\$2,006</u>	<u>\$10,266</u>

Water and Sewer Utility Bonds

Year	Principal	Interest	Total
2012	\$1,257,765	\$ 200,395	\$1,458,160
2013	420,000	148,804	568,804
2014	310,000	134,788	444,788
2015	319,000	124,852	443,852
2016	318,000	114,748	432,748
2017-2021	1,419,000	441,473	1,860,473
2022-2026	970,000	248,019	1,218,019
2027-2030	<u>900,000</u>	<u>79,675</u>	<u>979,675</u>
Total	<u>\$5,913,765</u>	<u>\$1,492,754</u>	<u>\$7,406,519</u>

During 2006, the Township of Moorestown issued \$11,170,000 of callable General Obligation Bonds dated May 15, 2006. \$9,657,000 was General Improvement Bonds and \$1,513,000 was Utility Bonds that are due each January 15th with various interest rates (4.25% to 4.375%).

During 2010, the Township of Moorestown issued \$11,789,000 of callable General Obligation Bonds dated August 15, 2010. \$8,297,000 was General Improvement Bonds and \$3,492,000 was Utility Bonds that are due each August 15th with various interest rates (2.00% to 3.625%).

Long-term debt as of December 31, 2011 consists of general obligation serial bonds as follows:

TOWNSHIP OF MOORESTOWN

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

Note 12. Long-Term Debt (continued):

	Date of Issue	Original Issue	Maturities	Interest Rate	Amount
General Capital Fund:					
General Obligation Refunding Bonds Series 1998	9/01/98	426,400	9/01/08 to 9/01/13	4.25% to 4.70%	\$ 44,235
Green Acres Loan, Series 1996 Recreation Improvements	12/08/93	375,000	9/08/08 to 9/08/13	2.0%	45,494
General Improvement Bonds Series 2003	4/30/03	14,955,340	5/01/08 to 5/01/18	2.75% to 3.75%	8,006,740
General Obligation Refunding Bonds Series 2003	4/30/03	7,236,600	5/01/08 to 5/01/13	2.00% to 3.50%	1,245,000
General Improvement Bonds Series 2006	5/15/06	9,657,000	1/15/08 to 1/15/21	4.25% to 4.375%	7,107,000
General Improvement Bonds Series 2010	8/15/10	8,297,000	8/15/10 to 8/15/30	2.00% to 3.625%	<u>8,030,000</u>
Total					<u>\$24,432,975</u>
Trust Assessment Fund:					
General Obligation Bonds, Series 1996 Various Local Improvements	5/01/03	44,660	5/01/08 to 5/01/13	2.75% to 3.50%	<u>\$ 8,260</u>
Total					<u>\$ 8,260</u>
Water & Sewer Utility Capital Fund:					
General Obligation Refunding Bonds Series 1998	9/01/98	9,558,600	9/01/08 to 9/01/13	4.25% to 4.70%	\$ 990,765
General Obligation Refunding Bonds Series 2003	4/30/03	1,228,400	5/01/08 to 5/01/16	2.00% to 4.00%	435,000
Water & Sewer Utility Bonds Series 2006	5/15/06	1,513,000	1/15/08 to 1/15/21		1,113,000
Water & Sewer Utility Bonds Series 2010	8/15/10	3,492,000	8/15/10 to 8/15/30		<u>3,375,000</u>
Total					<u>\$5,913,765</u>

A Summary of Municipal Debt is as follows:

	2011	2010	2009
Bonds & Notes Issued:			
General Capital Fund	\$24,682,975	\$27,269,080	\$24,339,575
Trust Assessment Fund	8,260	12,360	16,460
Water & Sewer Utility Capital Fund	5,913,765	7,152,560	6,975,915

TOWNSHIP OF MOORESTOWN

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

Note 12. Long-Term Debt (continued):

	2011	2010	2009
Loans:			
Green Acres Loan	45,494	67,571	89,212
Bonds & Notes Authorized but not Issued:			
General Capital Fund	3,065,947	1,303,435	4,740,185
Water & Sewer Utility Capital Fund	<u>1,448,750</u>	<u>1,401,250</u>	<u>2,018,480</u>
 Total Loans & Bonds & Notes Issued & Authorized but not Issued	 <u>35,165,191</u>	 <u>37,206,256</u>	 <u>38,179,827</u>
 Less: Funds Temporarily Held to Pay Bonds & Notes:			
Water & Sewer Utility Assessment Cash	81,893	81,159	168,916
Assessment Cash	13,272	17,269	21,216
Reserve for payment of Debt	<u>258,855</u>	<u>219,378</u>	<u>339,925</u>
 Total Deductions	 <u>354,020</u>	 <u>317,806</u>	 <u>530,060</u>
 Net Bond & Notes Issued & Authorized but not Issued	 <u>\$34,811,171</u>	 <u>\$36,888,450</u>	 <u>\$37,649,767</u>

Note 13. 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 14. Subsequent Event

In 2012, the Township Council has authorized \$1,215,500 of new debt authorizations for General Capital improvements to various roads and parks and \$1,300,000 for Water & Sewer Utility Capital improvements. On March 26, 2012, council adopted Refunding Bond Ordinance No. 4-2012 appropriating \$6,300,000 to refund \$5,935,000 of the 2003 Bond Issue originally dated May 1, 2003 in the principal amount of \$15,000,000.

The Township Council entered into an agreement with Appraisal Systems, Inc. to perform a town-wide reassessment program effective for the year 2013. The contract amount is \$195,080 and will be raised through special emergency notes over years 2013 thru 2017.

TOWNSHIP OF MOORESTOWN

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

Note 15. 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, 2011, the Township had \$997,791 on deposit in the in the dedicated Low and Moderate Income Housing Trust Account. \$11,345.92 was expended in 2011 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 September 2009, the Township's Mandatory Development Fee Ordinance was amended to require residential development to pay one and one-half (1 1/2) percent and nonresidential development to pay two and one-half (2 1/2) percent of the equalized assessed value of the proposed development.

In 2011, the Township collected \$33,060 in Mandatory Development Fees. The Total amount collected from June 1997, through December 2011, was \$2,045,221.

Note 16. Disclosure for Municipal Open Space Trust Fund

The Township's Open Space Trust Fund Program was approved by referendum in 1998 and the fund subsequently established in 1999. The purpose of the fund is to establish a dedicated tax for the acquisition of lands, either in fee simple or a lesser interest, including, but not limited to an easement restricting development, for recreation and conservation, including the development or maintenance of such acquired lands, or for farmland acquisition and preservation, or for historic property preservation or acquisition, or for the payment of debt service for any of the aforesaid purposes.

TOWNSHIP OF MOORESTOWN

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

Note 16. Disclosure for Municipal Open Space Trust Fund (continued):

The Program has subsequently been amended and extended through several referendums. Most recently, the voters have approved an annual tax rate of between one (\$0.01) cent and six (\$0.06) cents per \$100 of assessed real property valuation. The tax rate is to be established annually by Resolution of the Township Council each year through year 2028.

The Township has generated \$15,967,639 in tax revenue, interest income and other sources from 1999 through 2011. The Township has incurred \$14,564,670 in program expenditures through December 2011. The Township also has an agreement with Burlington County for the Township to pay 75% of the cost of an installment purchase agreement used to purchase a property in 2008. The Township's future liability is \$1,906,125 in interest expense made in semi-annual installments of \$56,062.50 through 2027. To date, the Township has preserved 305 acres for open space or farmland through this program.

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 funds for approved projects.

Installment Purchase Agreement (IPA)

On May 8, 2008, the Township Council of the Township of Moorestown entered into an agreement with the Board of Chosen Freeholder of the County of Burlington to purchase Block 8700, lot 18 of Moorestown Township in the amount of \$2,990,000 through an installment purchase agreement. Burlington County facilitated the transaction, will continue to act as the paying agent, and is responsible for 25% of the cost. The Township of Moorestown is the owner of the property and will reimburse Burlington County 75% of the cost.

Under the terms of the agreement, the County purchased 2 zero coupon notes totaling \$1,166,668.10. The notes will mature and be payable to the seller in the amount of \$2,990,000 on November 15, 2027. The agreement also calls for the County to make semi-annual interest payments to the seller of five (5) percent of the outstanding balance. The Township is responsible for reimbursing the County 75% of the interest expense. On May 8, 2008, the Township paid the County \$917,670.88 for its share of the notes and interest expense. The Township made additional interest expense reimbursements to the county in the amount of \$392,437.50 as of 12/31/11. The Township will continue to reimburse the County \$112,125 each year for its share of the interest expense. The reimbursements will be made semi-annually by the Open Space Trust Fund on April 15th and October 15th of each year until the notes mature in 2027.

Note 17. Interfunds

The following interfunds remained as of December 31, 2011:

TOWNSHIP OF MOORESTOWN

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

Note 17. Interfunds (continued):

Fund	Due From	Due To
Current Fund	\$228,624	\$ 31,270
State/Federal Grant Fund		219,192
Trust Other	16,097	
Trust Assessment	5,524	
Dog License Fund		9,432
General Capital	2,087	
Payroll Fund	120	
Utility Operating	96,321	
Utility Assessment	1,098	734
Utility Capital	<u> </u>	<u>89,243</u>
Total	<u>\$349,871</u>	<u>\$349,871</u>

The purpose of these interfunds is short-term borrowings.

Note 18. Post-Retirement Health Benefits

As of December 31, 2008, an employee is generally eligible for benefits upon retirement provided they have completed 25 years of public employment with the Township of Moorestown and are at least 55 years of age. Public Works Supervisors, Clerical, and Public Works retirees contribute 10% of the premium charged. Police Lodge #109 retirees who select the traditional indemnity plan contribute 33% of the difference in premiums between the traditional plan and the PPO plan.

Employee hired after December 31, 2008 are generally eligible for benefits upon retirement provided they have completed 30 years of public employment with the Township of Moorestown and are at least 55 years of age. Public Works Supervisors, Clerical, and Public Works retirees contribute 50% of the premium charged. Police Lodge #109 retirees who select the traditional indemnity plan contribute 33% of the difference in premiums between the traditional plan and the PPO plan.

Year of service are calculated based upon elapsed time.

Township of Moorestown's annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan's funding requirements is the "Unit Credit" method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year. The Plan is currently unfunded. The unfunded actuarial liability is amortized over thirty years. The following table shows the changes in Township of Moorestown's annual Other Post-Employment Benefit cost for the year, the amount actually contributed to the Plan and changes in their net Other Post-Employment Benefit obligation to the plan:

TOWNSHIP OF MOORESTOWN

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

Note 18. Post-Retirement Health Benefits (continued):

Annual Required Contribution	\$ 1,068,514
Interest on Net Other Post-Employment Benefit	-
Adjustment to Annual Required Contribution	-
	1,068,514
Annual Other Post-Employment Benefit Contributions Made	427,993
Increase in Net OPEB Obligation	640,521
Net OPEB, Beginning of Year	11,941,428
*Adjustment	(1,935,528)
Net OPEB, End of Year	\$10,646,421

*Adjustment is needed due to change in policy. See second paragraph of this note (Note 18).

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

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/11	\$1,068,514	40.05%	\$10,646,421

Actuarial assumptions were used to value the post-retirement medical liabilities. Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions.

Two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that being partially funded. We assumed a discount rate of 5.0 percent for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. We based medical claims on an annual average claims cost of approximately \$22,902 per covered retiree for family coverage and \$10,347 for single coverage. We assumed health care costs would increase annually at a rate of 7%.

TOWNSHIP OF MOORESTOWN

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

Note 18. Post-Retirement Health Benefits (continued):

Township of Moorestown currently has eighteen eligible retired employees receiving retirement benefits. The net Other Post-Employment Benefit obligation to Township of Moorestown to provide benefits to the retirees for the year ended December 31, 2011, was \$10,646,421.

19. Tax Appeals and Reassessment Program

The Township had a revaluation in year 2008. Properties were valued as of October 1, 2007. Since then, the Township has experienced significant tax appeals through both the County Tax Board and State Tax Court. Appeals filed with the County Tax Board are resolved in the same year they are filed and tax refunds are sufficiently covered by the Reserve for Uncollected Taxes budget appropriation. State Tax Court judgments typically take years to resolve. Any current year refunds would be handled through the Reserve for Uncollected Taxes budget appropriation. Refunds generated by prior years' tax appeals will be managed through one of three options. The first method is to charge prior years' refunds against the Reserve for Tax Appeals which has a balance of \$383,786.64 as of December 31, 2011. A second option is to charge smaller refunds directly against fund balance. The third option, reserved for larger tax appeals, will be to refinance the tax refunds through notes and raise the necessary funds over several years' subsequent budgets. The Township has outstanding state tax court appeals, listed by gross assessment value for each respective year under appeal, as follows: Year 2008 – \$221,464,800; Year 2009 – \$347,054,800; Year 2010 – \$408,640,300; and Year 2011 – \$459,747,800.

The Township will undertake a reassessment program in 2012 that will establish new values effective for Year 2013. The goal of the reassessment program is to minimize future tax appeals, stem the loss of future tax revenues and provide a more equitable distribution of the tax burden. The cost of the program is \$195,080 with one-fifth of the cost to be raised in each of 2013 – 2017 subsequent years' budgets.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

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

	CURRENT	GRANTS
Balance December 31, 2010	\$9,916,486	
Increased by Receipts:		
Taxes Receivable	\$91,237,222	
Tax Title Liens Receivable	78	
Prepaid Taxes	685,162	
Tax Overpayments	147,908	
Revenue Accounts Receivable	4,396,021	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	173,000	
Due to State of New Jersey:		
Fees & Permits	43,686	
Petty Cash	450	
Due Trust - Other Funds	536,318	
Due Trust - Assessment Fund	865	
Due Utility - Assessment Fund	543	
Due General Capital Fund	30,000	
Due Utility Operating	856	
Refunds to Appropriations	315,437	
Reserve for State & Federal Grants:		
Unappropriated		41,716
State Grants Receivable		105,320
Due From State & Federal Grants		288,094
Total Receipts	97,567,546	435,130
Subtotal	107,484,032	435,130

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

	CURRENT	GRANTS
Decreased by Disbursements:		
2011 Appropriations	20,194,159	
2010 Reserved Appropriations	611,051	
Tax Overpayments	37,539	
County Taxes	15,870,561	
Special District Taxes	2,432,158	
Local District School Tax	58,434,544	
Municipal Open Space Tax	465,789	
Due to State of New Jersey	40,238	
Petty Cash	450	
Tax Appeals	110,605	
Due Trust - Other Funds	562,265	
Refunds of Revenue	3,691	
Accounts Payable	3,014	
Due From State & Federal Grants	288,094	
Reserve for Appropriated Grants		435,130
	<u>99,054,158</u>	<u>435,130</u>
Total Disbursements		
	<u>99,054,158</u>	<u>435,130</u>
Balance December 31, 2011	<u>\$8,429,874</u>	<u>-</u>

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

Tax Collector	\$200
Township Clerk	50
Violations Clerk	100
Recreation Director	75
Police	50
	<u>575</u>
Balance December 31, 2011	<u>\$475</u>

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2011**

YEAR	BALANCE	2011 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	TRANSFER TO TAX TITLE LIENS CANCELED		BALANCE
	DECEMBER 31, 2010			2010	2011			DECEMBER 31, 2011		
2008	\$5,017				5,017					
2009	10,931				10,931					
2010	675,742				659,478	(3,250)	250		11,481	7,783
Total	691,690				675,426	(3,250)	250		11,481	7,783
2011		92,598,765	323,333	631,554	90,561,796	177,000	113,061	49,846	513,829	875,012
Total	\$691,690	92,598,765	323,333	631,554	91,237,222	173,750	113,311	49,846	525,310	882,795

ANALYSIS OF 2011 PROPERTY TAX LEVY

General Purpose Tax		\$90,166,607
Fire District Tax		2,432,158
Added & Omitted Taxes (54:4-6 et seq)		<u>323,333</u>
Total		<u>\$92,922,098</u>
TAX LEVY:		
District School Tax		\$58,402,906
County Taxes	\$15,831,402	
Due County for Added & Omitted Taxes	55,538	15,886,940
Special District Taxes		2,432,158
Municipal Open Space		465,789
Local Tax for Municipal Purposes	15,428,163	
Add: Additional Taxes Levied	<u>306,142</u>	<u>15,734,305</u>
Total		<u>\$92,922,098</u>

EXHIBIT A-7

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

Balance December 31, 2010	\$812,988
Increased by:	
Transfers From Taxes Receivable	<u>49,846</u>
Subtotal	862,834
Decreased by:	
Collections	<u>78</u>
Balance December 31, 2011	<u><u>\$862,756</u></u>

EXHIBIT A-8

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

Balance December 31, 2011 & 2010	<u><u>\$101,300</u></u>
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**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED	BALANCE DECEMBER 31, 2011
Miscellaneous Revenue Anticipated:				
Licenses - Other		309	309	
Fees & Permits - Other		98,945	98,945	
Fines & Cost Municipal Court	\$16,423	279,468	276,129	19,762
Interest & Costs on Taxes		205,443	205,443	
Parking Meters		22,511	22,511	
Interest Earned on Investments		143,116	143,116	
Reserve for Payment of Bonds		100,000	100,000	
Anticipated General Capital Surplus		24,000	24,000	
Recreation Fees		103,385	103,385	
Police Accident Report Fees		3,508	3,508	
Special Police Service Charges		149,880	149,880	
Street Opening Permits		2,075	2,075	
Cable Television Fees		68,678	68,678	
Consolidate Municipal Property Tax				
Relief Aid		224,859	224,859	
Energy Receipts Tax		1,569,104	1,569,104	
Energy Receipts Tax:				
Public Service Electric & Gas		244,925	244,925	
BOE Reimbursement - Resource Officer		127,272	127,272	
County Snow Removal		49,910	49,910	
JIF Settlement Payment		7,500	7,500	
Tower Rents		106,476	106,476	
Fees & Permits - Construction Code				
Official		280,089	280,089	
Utility Fund Reimbursement		275,000	275,000	
Shared Services Reimbursement		17,700	17,700	
Library Services Reimbursement		125,000	125,000	
Total Anticipated Revenues	16,423	4,229,153	4,225,814	19,762
Nonbudget Revenues:				
Miscellaneous Advertising Fee		4,390	4,390	
Interest & Cost on Assessment Lien		54	54	
False Alarm Fees		50,000	50,000	
Peddler/Solicitor Permit		1,575	1,575	
Developer Application Fees		10,675	10,675	
Miscellaneous Clerk		1,318	1,318	
Street Maps		48	48	
Zoning Maps		36	36	
Photo Copies		127	127	
Prior Year Insurance Refunds		4,500	4,500	

**TOWNSHIP OF MOORESTOWN
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED	BALANCE DECEMBER 31, 2011
Mend Rent Payment in Lieu of Taxes		27,302	27,302	
Zoning Officer		780	780	
Scrap Metal		5,584	5,584	
Levy Processing Fee		720	720	
Miscellaneous - MRNA		50,550	50,550	
MFS - Summer Trash Pickup		6,390	6,390	
State of NJ 2% Administration Fee		4,473	4,473	
Miscellaneous Collector		580	580	
Refund Prior Year Expenditures		34,263	34,263	
		<hr/>	<hr/>	
Total Nonbudget Revenue		203,365	203,365	
		<hr/>	<hr/>	
Total Revenue Accounts Receivable	<u>\$16,423</u>	<u>4,432,518</u>	<u>4,429,179</u>	<u>19,762</u>

Cash Receipts	\$4,396,021
Refund	(2,930)
Interfunds	36,540
MRNA Adjustments	<u>(452)</u>
Total	<u><u>\$4,429,179</u></u>

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

	2010 ENCUMBRANCES PAYABLE	2010 RESERVE BALANCE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:					
General Administration:					
Other Expenses	\$34,294	20,169	45,963	26,361	19,602
Human Resources:					
Other Expenses	1,561	749	8,810	6,540	2,270
Mayor & Council:					
Other Expenses	375	1,428	1,803	525	1,278
Municipal Clerk:					
Other Expenses	436	312	748	446	302
Financial Administration (Treasury):					
Office of Controller:					
Other Expenses	770	10,485	116,255	13,836	102,419
Revenue Administration (Tax Collection):					
Other Expenses	819	2,193	7,012	4,965	2,047
Legal Services (Legal Department):					
Other Expenses	8,767	4,274	13,041	8,766	4,275
Engineering Services:					
Other Expenses	17,553	22,341	39,894	17,585	22,309
Land Use Administration:					
Planning Board:					
Other Expenses	21,423	20,108	41,531	23,184	18,347
Zoning Board of Adjustments:					
Other Expenses	942	5,659	6,601	942	5,659
Insurance:					
Employee Group Insurance	1,891	16,737	18,628	1,891	16,737
Public Safety Functions:					
Police:					
Salaries and Wages		99,314	64,314	35,844	28,470
Other Expenses	28,595	2,316	30,911	29,226	1,685
Public Works Functions:					
Department of Public Works:					
Office of the Director:					
Other Expenses	799	2,092	2,891	799	2,092
Road Repairs & Maintenance:					
Salaries and Wages		29,326	9,326		9,326
Other Expenses	52,327	50,500	77,827	52,534	25,293
Building & Grounds:					
Other Expenses	57,307	45,696	88,003	63,034	24,969
Shade Tree:					
Other Expenses	80,164	3,293	83,457	78,758	4,699
Maintenance of Motor Vehicles:					
Other Expenses	19,835	18,425	38,260	21,141	17,119
Division of Sanitation:					
Salaries and Wages		11,239	3,239		3,239
Other Expenses	12,125	17,512	29,637	12,176	17,461

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

	2010 ENCUMBRANCES PAYABLE	2010 RESERVE BALANCE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Health & Human Services:					
Environmental Committee:					
Other Expenses	312	3,049	3,361	605	2,756
Parks & Recreation:					
Recreation Services & Programs:					
Other Expenses	11,716	16,603	21,319	10,721	10,598
Parks & Playgrounds:					
Other Expenses	4,563	24,370	28,933	127	28,806
Utility Expenses & Bulk Purchases:					
Electricity	35,261	27,990	63,251	47,021	16,230
Street Lighting Other Expenses	25,000	1,044	28,044	27,655	389
Telephone Expenses	768	11,396	12,164	423	11,741
Water	260	384	644	574	70
Gas (Natural/Propane)	3,752	16,311	20,063	6,401	13,662
Telecommunications		18,513	18,513	320	18,193
Gasoline	29,283	23,040	52,323	29,769	22,554
Solid Waste Disposal:					
Other Expenses	59,910	17,030	76,940	50,499	26,441
Uniform Construction Code:					
Division of Building & Inspection:					
Other Expenses	301	3,484	3,785	243	3,542
Municipal Court:					
Other Expenses	461	1,007	1,468	321	1,147
Unclassified					
Sick Sell Back		35,000	36,000	35,545	455
Condo Services		80,000	80,000	59,825	20,175
All Others	9,687	74,676	84,363		84,363
	<hr/>				
Total	\$521,257	738,065	1,259,322	668,602	590,720
	<hr/>				
				Cash Disbursed	\$611,051
				Accounts Payable	57,551
					<hr/>
				Total	\$668,602
					<hr/>

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

Balance December 31, 2010:		
School Tax Payable	\$4,728,449	
School Tax Deferred	<u>24,472,999</u>	\$29,201,448
Increased by:		
Fiscal Year Levy - 2011 to 2012		<u>58,402,906</u>
Subtotal		87,604,354
Decreased by:		
Cash Disbursements		58,434,544
Balance December 31, 2011:		
School Tax Payable	4,696,811	
School Tax Deferred	<u>24,472,999</u>	
Total		<u><u>\$29,169,810</u></u>
Local District School Tax Liability:		
Cash Payments		\$58,434,544
School Tax Payable December 31, 2011		<u>4,696,811</u>
Total		63,131,355
School Tax Payable December 31, 2010		<u>4,728,449</u>
Amount Charged to 2011 Operations		<u><u>\$58,402,906</u></u>

**TOWNSHIP OF MOORESTOWN
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	REVENUE	RECEIVED	BALANCE DECEMBER 31, 2011
State Grant Awards:				
E. M. A. Assistance Grant	\$5,000	5,000	5,000	5,000
Safe & Secure Communities	20,000	57,735	20,000	57,735
Community Forestry Grant	3,750			3,750
Municipal Drug Alliance Grant	11,874	17,400	11,800	17,474
Recreation Opportunity Grant	8,000			8,000
Clean Communities Grant		35,820	35,820	
Recycling Tonnage Grant		23,475	23,475	
2009 EMPG Grant		8,000	8,000	
Recovery Act - Ed Byrne		13,900		13,900
Body Armor Replacement		3,338	3,338	
County Parks Grant		250,000		250,000
Federal Grant Awards:				
Town Center Parking Plan	50,000			50,000
Private Grant Awards:				
Recreation Trust		22,200	22,200	
Tree Replacement		2,500	2,500	
Total	\$98,624	439,368	132,133	405,859

Original Budget	\$162,168
Chapter 159	<u>277,200</u>

Total	<u>\$439,368</u>
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Cash	\$105,320
Transferred from Unappropriated Reserves	<u>26,813</u>

Total	<u>\$132,133</u>
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TRUST FUND

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

	BALANCE DECEMBER 31, 2010	BUDGET	EXPENDED	ENCUMBRANCES RECLASSIFIED	BALANCE DECEMBER 31, 2011
State Grants:					
Drunk Driving Enforcement Grant	\$17,744		559		17,185
Recycling Tonnage	32,296	23,475	53,026	3,800	6,545
Alcohol Education & Enforcement Grant	882				882
Safe & Secure Communities	5,000	57,735	57,924		4,811
Community Forestry Grant	10,100		10,100		
Municipal Drug Alliance Grant		17,400	7,246		10,154
Clean Communities Grant		35,820	35,820		
Body Armor		3,338	3,338		
EMA Assistance Grant		5,000	5,000		
2009 EMPG Grant		8,000	7,968		32
Recovery Act - Ed Byrne		13,900	9,664		4,236
County Parks Grant		250,000	193,540		56,460
Total State Grants	66,022	414,668	384,185	3,800	100,305
Federal Grants:					
Town Center Parking Plan	2,044		47,956	47,956	2,044
Total Federal Grants	2,044		47,956	47,956	2,044
Township Matching Funds/Local Grants:					
Municipal Drug Alliance Grant		4,350	1,811		2,539
Tree Replacement	14,760	2,500	14,950		2,310
Defibrillator Grant	1,500				1,500
Recreation Trust Grant		22,200	9,100		13,100
Recreation Opportunity Grant	281				281
Total Matching Funds	16,541	29,050	25,861		19,730
Total	\$84,607	443,718	458,002	51,756	122,079
Original Budget		\$166,518			
Chapter 159		277,200			
Cash Disbursed			435,130		
Encumbrances			22,872		
Total		\$443,718	458,002		

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

GRANT	BALANCE DECEMBER 31, 2010	TRANSFERRED TO 2011 GRANT APPROPRIATED	RECEIVED	BALANCE DECEMBER 31, 2011
State Grants:				
Recycling Tonnage Grant	\$23,475	23,475	37,034	37,034
Clean Communities			1,200	1,200
Body Armor Replacement Fund	3,338	3,338	3,482	3,482
Total Grants	\$26,813	26,813	41,716	41,716

EXHIBIT B-1

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
SCHEDULE OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 and 2010

\$10,585

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

	<u>TRUST ASSESSMENT</u>	<u>DOG LICENSE</u>	<u>TRUST OTHER</u>
Balance December 31, 2010	\$17,269	20,609	5,477,303
Increased by Receipts:			
Due Township Clerk		14,696	
Due Interfunds:			
Current Fund	\$103	264	14,078
Reserve for:			
Developers Escrow			530,819
Performance Escrow			1,043,422
Confiscated Funds			15
Special Law Enforcement Fund			1,020
Tax Title Lien Redemption			733,623
Unemployment Compensation			589
Uniform Construction Code - Third Party Inspection Fees			486,101
Health Benefit Premiums & Self-Insurance			2,914,217
Tax Sale Premium			353,244
Recreation Programs			74,390
Low & Moderate Housing Trust Fund			30,998
Open Space Trust			629,997
CASA			100
Library Insurance			197,818
Renaissance Fund			242
Tree Remembrance Fund			284
Recreation Donation Trust			17,470
POAA			174
Snow Removal			30,299
Accumulated Leave Fund			125,263
	<hr/>		
Total Increases	<u>103</u>	<u>14,960</u>	<u>7,184,163</u>
Total Increases & Balances	<u>17,372</u>	<u>35,569</u>	<u>12,661,466</u>

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

	<u>TRUST ASSESSMENT</u>	<u>DOG LICENSE</u>	<u>TRUST OTHER</u>
Decreased by Disbursements:			
Dog Fund Expenditures		6,756	
Due Current Fund:			
Interfunds Liquidated			9,117
Serial Bonds/Notes Payable	4,100		
Reserve for:			
Developers Escrow			357,121
Performance Escrow			388,610
Open Space Trust			526,690
Recreation Donation Trust			18,627
Tax Title Lien Redemption			732,262
Uniform Construction Code -			
Third Party Inspection Fees			443,484
Health Benefit Premiums & Self-Insurance			2,916,449
Recreation Programs			65,760
Tree Replacement Fund			2,500
Tree Remembrance			250
Renaissance Fund			261
Library Insurance			197,718
Recreation Improvements/Affinity			35,900
Accumulated Leave			186,941
Tax Sale Premium			383,975
Snow Removal			36,623
Low & Moderate Housing Trust			11,345
Total Disbursements	<u>4,100</u>	<u>6,756</u>	<u>6,313,633</u>
Balance December 31, 2011	<u><u>\$13,272</u></u>	<u><u>28,813</u></u>	<u><u>6,347,833</u></u>

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
ANALYSIS OF ASSESSMENT CASH
FOR THE YEAR ENDED DECEMBER 31, 2011**

		BALANCE DECEMBER 31, 2010	TRANSFER	RECEIPTS MISCELLANEOUS	ASSESSMENT BOND/NOTE PAYMENTS	BALANCE DECEMBER 31, 2011
Fund Balance		\$10,585				10,585
Due From Current Fund		(4,762)	(865)	103		(5,524)
ORDINANCE	IMPROVEMENT DESCRIPTION					
Assessment Serial Bonds:						
1925	Reconstruction of Walker/North Church	2,512	246		1,025	1,733
1933	Reconstruction of Main, W. Second Streets, W Third & Locust	3,004	86		1,025	2,065
1945	Reconstruction of Browning/North Church	2,994	96		1,025	2,065
1993	Reconstruction of & West Harris Avenue S. Church & Washington	2,936	154		1,025	2,065
	Total	<u>\$17,269</u>	<u>(283)</u>	<u>103</u>	<u>4,100</u>	<u>12,989</u>

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	COLLECTIONS	BALANCE DECEMBER 31, 2011	BALANCE PLEDGED TO ASSESSMENT BONDS	BALANCE PLEDGED TO ASSESSMENT RESERVE
1900	Reconstruction of Mill Street	\$480	283	197		480
1945	Reconstruction of Browning/N. Church	96	96			
1925	Reconstruction of Walker/N. Church	578	246	332	332	
1933	Reconstruction of West Third, Locust, West Main & West Second Streets	86	86			
1993	Reconstruction of South Church, Washington & West Harris Avenues	154	154			
	Total	<u>\$1,394</u>	<u>865</u>	<u>529</u>	<u>332</u>	<u>480</u>

**TOWNSHIP OF MOORESTOWN
TAX ASSESSMENT FUND
SCHEDULE OF ASSESSMENT LIENS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2011	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, 2011**

Balance December 31, 2010		\$20,611
Increased by:		
Dog License Fees	\$11,750	
Miscellaneous Other Fees	<u>2,946</u>	14,696
Subtotal		35,307
Decreased by:		
Due Current Fund	9,172	
Expenditures (R.S.4:19-15.11)	<u>6,756</u>	15,928
Balance December 31, 2011		<u>\$19,379</u>

LICENSE FEES COLLECTED

2010	\$10,035
2009	<u>9,344</u>
Total	<u>\$19,379</u>

**TOWNSHIP OF MOORESTOWN
DOG LICENSE FUND
SCHEDULE OF DUE FROM TOWNSHIP CLERK
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$2
Increased by:		
Dog License Fees	\$11,750	
Miscellaneous Fees	2,946	
State Licenses	1,312	16,008
Subtotal		16,010
Decreased by Cash Payments:		
Moorestown Treasurer	14,696	
State Licenses Remitted	1,315	16,011
Balance December 31, 2011		(\$1)

EXHIBIT B-8

**TRUST FUND - OTHER
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$50,210
Increased by:		
Interfund Creation	\$9,117	
UCC Fees Due From Current	470,556	479,673
Subtotal		529,883
Decreased by:		
Interest Earnings	14,078	
Interfund Liquidated	16,113	
UCC Fees Due From Current	483,595	513,786
Balance December 31, 2011		\$16,097

EXHIBIT B-9

**TRUST ASSESSMENT FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS AND LIENS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	AMOUNT
Assessments:		
1900	Reconstruction of Mill Street	\$480
Assessment Liens:		
262	Lenola Road	287
	Total	\$767

**TOWNSHIP OF MOORESTOWN
TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENTS BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITY OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	ISSUED	BOND MATURITIES	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT					
Reconstruction of Browning Avenue, Harris Avenue, Locust Street & Walker Avenue	05/01/2003	\$44,660	05/01/12	4,100	3.50%	\$12,360		4,100	8,260
			05/01/13	4,160	3.50%				
Total						\$12,360	-	4,100	8,260

**TOWNSHIP OF MOORESTOWN
DOG LICENSE FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$4
Increased by:	
Dog License Fees Collected:	
State Share	1,312
Subtotal	1,316
Decreased by:	
Payments	1,315
Balance December 31, 2011	\$1

**SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$4
Decreased by:	
Excess Funds in Dog License Reserve	\$9,172
Interest Earnings	264
	9,436
Balance December 31, 2011	(\$9,432)

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

	BALANCE DECEMBER 31, 2010	INCREASED BY			DECREASED BY		BALANCE DECEMBER 31, 2011
		RECEIPTS	INTEREST EARNINGS	OTHER	DISBURSEMENTS	OTHER	
Confiscated Funds	\$1,620		15				1,635
Developers Escrow	235,968	530,419	400		357,121		409,666
Performance Escrow	1,049,462	1,035,897	7,525		388,610		1,704,274
Special Law Enforcement	18,327		1,020		16,113		3,234
Recreation Improvements/Affinity	35,966				35,900		66
Recreation Programs	93,481	73,410	980		65,760		102,111
Tree Replacement Fund	5,040				2,500		2,540
CASA		100					100
Library Insurance		197,818			197,718		100
POAA	1,216	174					1,390
Sidewalk Repairs	6,370						6,370
Gym Repairs	2,688						2,688
Teleport Aesthetic Fee	76,200						76,200
Renaissance Fund	26,908		242		261		26,889
South Lenola Road	9,765						9,765
Strawbridge Lake	7,827						7,827
Third Party Inspections	321,212	470,556	2,506		443,484		350,790
Unemployment Compensation	69,605		589				70,194
Tax Title Lien Redemption	4,412	733,388	235		732,262		5,773
Health Benefits & Self-Insurance	3,356	2,914,217			2,916,449		1,124
Premium Received on Tax Sale	430,641	350,675	2,569		383,975		399,910
Low & Moderate Housing Trust	1,011,044	29,976	1,022		11,345		1,030,697
Open Space Trust	1,637,050	616,590	13,407		526,690		1,740,357
Tree Remembrance Fund	3,653		284		250		3,687
Snow Removal	60,580	30,000	299		36,623		54,256
Recreation Donation Trust	6,724	17,370	100		18,627		5,567
Accumulated Leave Fund	408,398	122,500	2,763		186,941		346,720
Total	\$5,527,513	7,123,090	33,956		6,320,629		6,363,930

GENERAL CAPITAL FUND

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

Balance December 31, 2010	\$74,297
Increased by:	
Unexpended Improvement Authorization Balances Cancelled	<u>67,569</u>
Subtotal	141,866
Decreased by:	
Transferred to Current Fund Budget - Anticipated Revenue	<u>24,000</u>
Balance December 31, 2011	<u><u>\$117,866</u></u>

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

Balance December 31, 2010		\$3,909,318
Increased by:		
Bond Anticipation Note Proceeds	\$250,000	
Proceeds from Block Grant	56,054	
Current Fund Budget Appropriation:		
Capital Improvement Fund	75,000	
Deferred Charge	4,237	
Improvement Authorization Refunds	150,515	
Reserve for the Payment of Debt Service	16,575	
Reserve for Turf Field Replacement	8,916	
Interest Earned Due Current Fund	<u>28,429</u>	589,726
Subtotal		4,499,044
Decreased by:		
Improvement Authorizations	1,907,674	
Interfunds Liquidated	30,000	
Current Fund Budget Revenue - Reserve to Pay Debt	100,000	
Current Fund Budget Revenue - Capital Surplus	24,000	
Bond Anticipation Note Paydowns	250,000	
Due Current Fund	<u>237</u>	2,311,911
Balance December 31, 2011		<u><u>\$2,187,133</u></u>

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

	BALANCE (OVERDRAFT) DECEMBER 31, 2010	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2011
			MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO		
Fund Balance	\$74,297					24,000		67,569	117,866
Capital Improvement Fund	152,271		75,000				31,500	9,000	204,771
Due Current Fund	(280)		28,429			30,237		1	(2,087)
Reserve for Payment of Debt Service	219,378		16,575			100,000		122,902	258,855
Reserve for Turf Field Replacement	35,664		8,916						44,580
Reserve for Town Hall	1,204,676						75,000		1,129,676
Miscellaneous		306,054				250,000	56,054		
ORDINANCE NUMBER		IMPROVEMENT AUTHORIZATIONS							
1782/1790/1834		Improvements to							
1849/1889/1909	47,369	Strawbridge Lake					47,369		
1895/1927		Upgrade & Replacement							
	20,200	of HVAC Systems					20,200		
1897	3,300	Aesthetic Impact Fees							3,300
21-2003	3,390	Snyder Place							3,390
27-2004	56,535	Bishop Park			10,600			1	45,934
19-2004	8,878	Purchase of Technology Upgrades					8,878		
4-2005	6,750	Reconstruction of Pearl Street							6,750
36-2005/27-2006	15,961	2005 Road Improvements					15,961		
2-2006/26-2007	42,911	Westfield, Bridgeboro Bikeway					42,911		
23-2006	6,333	Maple Dawson Park Renovations			4,800			1,533	
26-2006	6,069	Memorial Field Renovations						6,069	
12-2007	47,550	Main Street Resurfacing Project Phase II					47,550		

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

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	BALANCE (OVERDRAFT) DECEMBER 31, 2010	BOND ANTICIPATION NOTES/BONDS	DISBURSEMENTS				TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2011
			RECEIPTS		IMPROVEMENT		FROM	TO	
			MISCELLANEOUS		AUTHORIZATIONS	MISCELLANEOUS			
14-2008/									
7-2009/2-2010/35-2011									
24-2008									
28-2008									
37-2008									
30-2009									
31-2009									
4-2010									
20-2010/31-2011									
21-2010									
22-2010/3-2011									
28-2010									
22-2011									
33-2011									
Total	\$3,909,318	306,054	133,157	1,757,159	404,237	354,526	354,526	2,187,133	

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

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ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2010	INCREASED BY IMPROVEMENT AUTHORIZATIONS	PAYMENT OF OF BOND ANTICIPATION NOTES	GRANTS RECEIVED/ DEFERRED CHARGES PAID /CANCEL 2011	BALANCE DECEMBER 31, 2011	ANALYSIS OF BALANCE		
							BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
1951/1989	Engineering & Landscape Architectural Services Phase II Main Street	\$5,000			5,000				
24-2008	Resurfacing of New Albany Road	15,935			4,237	11,698		8,092	3,606
4-2010	Prior Years Tax Appeals	375,000		125,000		250,000	250,000		
20-2010/31-2011	New Albany Road - Phase II	156,750	327,750			484,500		409,026	75,474
21-2010	2011 Roads Resurfacing	693,500				693,500		570,986	122,514
22-2010/3-2011	Fullerton Playground	28,500	142,500		171,000				
28-2010	Police & Administration Vehicles	403,750				403,750		175,961	227,789
22-2011	Accessibility Improvements		80,750		80,750				
33-2011	Various Park lighting		47,500			47,500		15,500	32,000
35-2011/2-2010	Municipal Complex								
7-2009/14-2008	& Library		1,425,000			1,425,000			1,425,000
Total		\$1,678,435	2,023,500	125,000	260,987	3,315,948	250,000	1,179,565	1,886,383

EXHIBIT C-4

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$280
Increased by:	
Interest Transferred to Current	<u>30,000</u>
Subtotal	30,280
Decreased by:	
Interest Earned on Investments	<u>28,193</u>
Balance December 31, 2011	<u><u>\$2,087</u></u>

EXHIBIT C-5

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$26,961,651
Decreased by:	
Budget Appropriations:	
Serial Bonds Payable	\$2,461,105
Green Acres Loan Payable	<u>22,077</u>
	<u>2,483,182</u>
Balance December 31, 2011	<u><u>\$24,478,469</u></u>

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES			BALANCE DECEMBER 31, 2011	
		DATE	AMOUNT	FUNDED	UNFUNDED		RECLASSIFIED	EXPENDED	ENCUMBRANCES	CANCELED	FUNDED
1670/93	Improvements to Strawbridge Lake	7/12/1993	25,000				47,369			47,369	
1697/94		3/14/1994	160,000								
1754-95		9/11/1995	700,000								
1782-96		4/15/1996	675,000								
1790-96		4/15/1996	125,000								
1834-97		7/28/1997	705,000								
1889-99		7/7/1999	120,000								
1909-00		2/16/2000	1,500,000								
1895-99	Upgrade to HVAC System	7/21/1999	285,000				20,200			20,200	
1927-00		8/16/2000	215,000								
1897-99	Aesthetic Impact Fees	8/18/1999	19,800	33,300							3,300
1951-01	Phase II Main Street	4/4/2001	110,000				5,000			5,000	
1989-02		2/11/2002	1,240,000								
2020-02	Preliminary Expenses Reconstruction Snyder Place	12/11/2002	25,000								
21-2003		7/28/2003	155,000		3,390						3,390
15-2004	Preliminary Expenses Wesley Bishop Park Phase II Improvements	5/10/2004	65,000								
27-2004		12/6/2004	930,000	56,534				10,600			45,934
19-2004	Purchase of Technology Upgrades	8/23/2004	180,000	2,880			5,998			8,878	
4-2005	Reconstruction of Pearl Street	4/4/2005	247,500	6,750							6,750
15-2005	Main Street Resurfacing Project	5/9/2005	418,000								
01-2006		2/6/2006	50,000	37,500						37,500	
21-2005	Reconstruction of East Wilson Avenue	7/25/2005	545,000								
16-2006		7/10/2006	131,600								
36-2005	2005/2006 Road Improvements	12/12/2005	265,000		3,537		12,424			15,961	
27-2006		11/27/2006	320,000								

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES			BALANCE DECEMBER 31, 2011	
		DATE	AMOUNT	FUNDED	UNFUNDED		RECLASSIFIED	EXPENDED	ENCUMBRANCES CANCELED	FUNDED	UNFUNDED
02-2006	Westfield/Bridgeboro Bikeway	2/6/2006	100,000								
26-2007	Bikeway	8/13/2007	675,000		28,642		14,268			42,910	
23-2006	Maple Dawson Park Renovations	8/28/2006	210,000	1,533			4,800	4,800		1,533	
26-2006	Memorial Field Restroom Renovations	11/13/2006	195,000	6,069						6,069	
12-2007	Main Street Resurfacing Phase 2	3/26/2007	740,000	21,873			25,677			47,550	
14-2008	Preliminary Expenses to Town	7/14/2008	250,000								
7-2009	Hall & Library Renovations	4/20/2009	2,000,000								
2-2010		3/28/2010	500,000								
35-2011		12/12/11	1,500,000	255,593		1,500,000	777,683	711,771	111,332	285,173	1,425,000
24-2008	Resurfacing of New Albany Road	9/08/2008	300,000		3,606		8,092		8,092		3,606
28-2008	Wesley Bishop/Jeff Young Park Improvements	10/06/2008	200,000	97,175			1,985	30,458		68,702	
37-2008	Acquisition of 1 High Street	12/1/2008	425,000	39,774				8,050		31,724	
30-2009	Purchase DPW Vehicles & Equipment	11/09/2009	390,000	51,727			57,668	57,788		51,607	
31-2009	Various Drainage Projects	11/09/2009	675,000	435,318			171,748	190,856	536	415,674	
4-2010	Refinance Prior Year Tax Appeals	05/14/2010	375,000		6,132			1,829			4,303
20-2010	Phase II New Albany Road	10/18/2010	165,000		125,000	525,000	40,000	58,587	555,939		75,474
31-2011		9/26/2011	525,000								

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PRIOR YEAR ENCUMBRANCES			BALANCE DECEMBER 31, 2011		
		DATE	AMOUNT	FUNDED	UNFUNDED		RECLASSIFIED	EXPENDED	ENCUMBRANCES CANCELED	FUNDED	UNFUNDED	
21-2010	2011 Road Resurfacing Project	10/18/2010	730,000	36,500	693,500			534,139	73,347		122,514	
22-2010 3-2011	Fullerton Park Playground	10/18/2010 3/28/2011	30,000 150,000	1,500	28,500	150,000				180,000		
28-2010	Purchase of Police & Administration Vehicles	12/13/2010	425,000	21,250	403,750			87,977	109,233		227,790	
22-2011	Accessibility Improvements	6/27/2011	85,000			85,000		60,304		24,696		
33-2011	Preliminary Expenses - Various Park Lighting	10/24/2011	50,000			50,000			18,000		32,000	
Total				\$1,075,276	1,296,057	2,310,000	1,192,912	1,757,159	876,479	437,666	908,864	1,894,077
Capital Improvement Fund						\$31,500						
Deferred Charges to Future Taxation - Unfunded						2,023,500						
Grants/Other Sources						255,000						
Refunds							(150,515)					
Cash Disbursed							1,907,674					
Total						\$2,310,000	1,757,159					

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

Balance December 31, 2010		\$152,271
Increased by:		
Cancellation of Improvement Authorizations	\$9,000	
2011 Budget Appropriation	75,000	84,000
Subtotal		236,271
Decreased by:		
Appropriated to Finance Improvement Authorizations		31,500
Balance December 31, 2011		<u>\$204,771</u>

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

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED BY PRINCIPAL PAID	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT					
General Obligation Refunding Bonds Series of 1998	09/01/98	\$426,400	09/01/12	\$39,235	4.50%	\$85,440		41,205	44,235
			09/01/13	5,000	4.70%				
General Improvement Bonds Series 2003	4/30/2003	14,955,340	5/1/12	1,015,900	3.500%	8,987,640		980,900	8,006,740
			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	5/1/12	615,000	3.350%	1,855,000		610,000	1,245,000
			5/1/13	630,000	3.500%				
General Improvement Bonds Series 2007	5/15/2007	9,657,000	1/15/12	588,000	4.250%	7,669,000		562,000	7,107,000
			1/15/13	610,000	4.250%				
			1/15/14	635,000	4.250%				
			1/15/15	666,000	4.250%				
			1/15/16	692,000	4.250%				
			1/15/17	722,000	4.250%				
			1/15/18	752,000	4.375%				
			1/15/19	782,000	4.375%				
			1/15/20	813,000	4.375%				
			1/15/21	847,000	4.375%				

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

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED BY PRINCIPAL PAID	BALANCE DECEMBER 31, 2011
			DECEMBER 31, 2011 DATE	AMOUNT					
General Improvement Bonds Series 2010	08/15/10	\$8,297,000	8/15/12	320,000	2.000%	8,297,000		267,000	8,030,000
			8/15/13	325,000	2.000%				
			8/15/14	330,000	2.000%				
			8/15/15	340,000	2.000%				
			8/15/16	350,000	2.000%				
			8/15/17	365,000	2.000%				
			8/15/18	375,000	2.250%				
			8/15/19	385,000	2.500%				
			8/15/20	400,000	3.000%				
			8/15/21	415,000	3.000%				
			8/15/22	430,000	3.000%				
			8/15/23	445,000	3.000%				
			8/15/24	460,000	3.000%				
			8/15/25	480,000	3.125%				
			8/15/26	500,000	3.250%				
			8/15/27	520,000	3.250%				
8/15/28	530,000	3.375%							
8/15/29	530,000	3.500%							
8/15/30	530,000	3.625%							
Total									
						<u>\$26,894,080</u>		<u>2,461,105</u>	<u>24,432,975</u>

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOAN PRINCIPAL AND INTEREST DECEMBER 31, 2011		INTEREST RATE	BALANCE	DECREASED	BALANCE
			DATE	AMOUNT		DECEMBER 31, 2010		DECEMBER 31, 2011
Green Acres Loan	12/08/93	\$375,000	(1)	\$11,659	2.00%	\$67,571	22,077	45,494

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

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL AMOUNT ISSUE	ORIGINAL DATE OF ISSUE	ISSUE DATE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2010	ISSUED	DECREASED	BALANCE DECEMBER 31, 2011
04-2010	Refinance Prior Years Tax Appeals	375,000	09/30/10	09/30/11	09/28/12	1.50%	\$375,000	250,000	375,000	250,000
Total							\$375,000	250,000	375,000	250,000

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	IMPROVEMENT AUTHORIZATIONS	IMPROVEMENT AUTHORIZATIONS CANCELLED	GRANTS RECEIVED	RAISED AS DEFERRED CHARGE	BALANCE DECEMBER 31, 2011
1951	Engineering & Landscape Architectural Services Phase II Main Street	\$5,000		5,000			
24-2008	Resurfacing of New Albany Road	15,935				4,237	11,698
20-2010	Preliminary Expenses, Phase II New Albany Road	156,750					156,750
21-2010	2011 Road Resurfacing Project	693,500					693,500
22-2010	Preliminary Expenses, Fullerton Park Playground Area	28,500	142,500	171,000			
28-2010	Purchase Police & Administration Vehicles	403,750					403,750
22-2011	Accessibility Improvements		80,750	24,696	56,054		
31-2011/20-2010	New Albany Road Phase II		327,750				327,750
33-2011	Preliminary Expenses - Park Lighting		47,500				47,500
35-2011/2-2010 7-2009/14-2008	Amend Municipal Complex Project		1,425,000				1,425,000
	Total	\$1,303,435	2,023,500	200,696	56,054	4,237	3,065,948

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$219,378
Increased by:		
Contribution from Soccer Club	\$5,525	
Contribution from Lacrosse Club	5,525	
Contribution from Football Association	5,525	
Cancellation of Improvement Authorizations - Funded	122,902	139,477
		<hr/>
Subtotal		358,855
Decreased by Disbursements:		
Anticipated Revenue Current Fund		100,000
		<hr/>
Balance December 31, 2011		<u><u>\$258,855</u></u>

ANALYSIS OF BALANCE

ORDINANCE NUMBER	DESCRIPTION OF IMPROVEMENT	AMOUNT	PLEGDED TO
1956-01	Strawbridge Lake	\$16,749	Bonds
33-2003/16-2005	Reconstruction of Haines Mill Road	52,000	Bonds
19-2004	Technology Upgrades	8,878	Bonds
15-2005/1-2006	Main Street Resurfacing	22,629	Bonds
36-2005	2005/2006 Roads Resurfacing Program	24,960	Bonds
2-2006/26-2007	Westfield/Bridgeboro Bikeway	42,911	Bonds
10-2006/25-2006	Construction of Artificial Turf Field	16,575	Bonds
23-2006	Maple Dawson Park Renovations	1,533	Bonds
26-2006	Memorial Field Park Restrooms	6,070	Bonds
12-2007	Main Street Resurfacing II	47,550	Bonds
37-2008	Acquisition of 1 High Street	19,000	Bonds
		<hr/>	
	Total	<u><u>\$258,855</u></u>	

**TOWNSHIP OF MOORESTOWN
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR TOWN HALL INSURANCE SETTLEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$1,204,676
Decreased by:	
Down Payment on Improvements - Ordinance 35-2011	<u>75,000</u>
Balance December 31, 2011	<u><u>\$1,129,676</u></u>

WATER-SEWER UTILITY FUND



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

	<u>OPERATING FUND</u>	<u>ASSESSMENT TRUST</u>	<u>CAPITAL FUND</u>
Balance December 31, 2010	\$1,965,846	81,159	717,688
Increased by Receipts:			
Anticipated Revenues	\$9,408,136		230,000
Operating Fund:			
Current Year Interest Earnings		734	4,475
Miscellaneous			85,000
Subtotal	<u>9,408,136</u>	<u>734</u>	<u>319,475</u>
Total	<u>11,373,982</u>	<u>81,893</u>	<u>1,037,163</u>
Decreased by Disbursements:			
2011 Budget Appropriations	6,757,270		
2010 Appropriation Reserves	230,383		
Accounts Payable	1,654		
Due from Utility Capital	85,000		
Due Utility Operating			193
Interest on Bonds	247,740		
Refunds - Prior Year	13,096		
Rent Overpayments	4,402		
Improvement Authorizations			1,024,715
Total Disbursements	<u>7,339,545</u>	<u></u>	<u>1,024,908</u>
Balance December 31, 2011	<u>\$4,034,437</u>	<u>81,893</u>	<u>12,255</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, 2011**

Balance December 31, 2010			(\$39)
Increased by:			
Interfund Loan	\$85,000		
Current Year Interest Earned	4,282	<u>89,282</u>	
Balance December 31, 2011			<u><u>\$89,243</u></u>

EXHIBIT D-7

**WATER-SEWER ASSESSMENT TRUST FUND
ANALYSIS OF WATER-SEWER UTILITY ASSESSMENT TRUST CASH
FOR THE YEAR ENDED DECEMBER 31, 2011**

Fund Balance		\$82,257
Due from Current Fund		(1,098)
Due to Utility Operating		<u>734</u>
Balance December 31, 2011		<u><u>\$81,893</u></u>

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

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	BALANCE (OVERDRAFT)		DISBURSEMENTS		BALANCE (OVERDRAFT)	
	DECEMBER 31, 2010	RECEIPTS MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	TRANSFERS FROM	TO	DECEMBER 31, 2011
Fund Balance	\$129,271					129,271
Capital Improvement Fund	206,826	230,000		2,500		434,326
Due Water & Sewer Utility Operating Fund	(39)	89,282				89,243
ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS					
1836	Reconstruction of a Portion of Cooper Avenue & Construction of Curbs Along Cooper Avenue		5,807			5,807
23-2008	Purchase of DPW Heavy Vehicles & Equipment		39,377			39,377
26-2008	Replacement of Mill Street Water Main		27,751			27,751
6-2009/27-2009	South Church Water Main		31,026			31,026
29-2009	Redevelopment Well #7		77,612			77,612
30-2009	Purchase of DPW Vehicles		127,813	57,668		70,145
17-2010	Repairs to Sewer Plant		4,994	94,938		(89,944)
27-2010	Construction of Well #9		67,250	872,109		(804,859)
36-2011	Lining of S. Church Sewer Main				2,500	2,500
Total	\$717,688	319,282	1,024,715	2,500	2,500	12,255

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF SERVICE CHARGES RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	HYDRANTS	WATER	SEWER
Balance December 31, 2010	\$785,288		496,265	289,023
Increased by:				
Service Charges Levied	8,111,352	317,357	4,639,827	3,154,168
Overpayments Created & Refunded	28,048		3,416	24,632
Subtotal	8,924,688	317,357	5,139,508	3,467,823
Decreased by:				
Collections	8,196,263	317,357	4,746,515	3,132,391
Collections by Current Fund	815		453	362
Overpayments Applied	23,627		23,627	
Cancellations	37,318		15,623	21,695
Subtotal	8,258,023	317,357	4,786,218	3,154,448
Balance December 31, 2011	\$666,665	-	353,290	313,375

**WATER-SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF WATER-SEWER ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$2,666
Decreased by:	
Collections	543
Balance December 31, 2011	\$2,123

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	DATE OF CONFIRMATION	BALANCE DECEMBER 31, 2011
426	Sanitary Sewer Improvements - Route. 38	12/17/62	\$698
451	Water Improvements - Westfield Road	12/29/66	1,425
Total			\$2,123

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER ASSESSMENTS HELD IN ABEYANCE
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	DATE OF CONFIRMATION	BALANCE DECEMBER 31, 2011
	Sanitary Sewer Improvements:		
430	Stanwick Road	11/29/65	\$397
540	Timber Croft Road	06/22/70	1,174
426	Route No. 38	07/24/70	2,893
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	5,400
	Water Improvements:		
350	Hartford & Borton Landing Roads	10/31/60	5,108
451	Westfield Road	10/29/66	8,383
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
Total			<u>\$58,102</u>

The above represents connection fees not yet due on rural properties located within the Township until connection is made to the water and sewer systems

**WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$43,973,195
Increased by:	
Paid by Operating Budget	<u>53,957</u>
Balance December 31, 2011	<u>\$44,027,152</u>

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DECEMBER 31, 2010	AUTHORIZATIONS	TRANSFER TO FIXED CAPITAL	AUTHORIZATION CANCELLED	BALANCE DECEMBER 31, 2011
23-2008	Purchase of DPW Heavy Vehicles	8/25/08	\$390,000	\$390,000				390,000
26-2008	Replace Mill St. Water Main	10/6/08	265,000	193,250				193,250
6-2009/27-2009	South Church Water Main	4/6/09	100,000	659,000				659,000
29-2009	Redevelopment Well #7	11/9/09	145,000	145,000				145,000
30-2009	Purchase of DPW Vehicles	11/9/09	130,000	130,000				130,000
17-2010	Repairs to Sewer Plant	9/27/10	130,000	130,000				130,000
27-2010	Construction of Well #9	11/29/10	1,345,000	1,345,000				1,345,000
36-2011	Lining of S. Church Sewer Main	11/28/11	50,000		50,000			50,000
Total				<u>\$2,992,250</u>	<u>50,000</u>			<u>3,042,250</u>

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

	BALANCE DECEMBER 31, 2010	ENCUMBRANCES RECLASSIFIED	MODIFIED BALANCE	PAID OR CHARGED	BALANCE LAPSED
Operations:					
Salaries & Wages	\$42,189		42,189		42,189
Other Expenses	85,422	202,707	288,129	230,383	57,746
Capital Improvements:					
Capital Outlay	3,590		3,590		3,590
Statutory Expenditures:					
Social Security System	20,097		20,097		20,097
Total	\$151,298	202,707	354,005	230,383	123,622

Cash Disbursed	<u>\$230,383</u>
Total	<u><u>\$230,383</u></u>

**SCHEDULE OF ACCRUED INTEREST ON BONDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$89,361
Increased by:	
Utility Operating Budget Appropriation	<u>233,763</u>
Subtotal	323,124
Decreased by:	
Cash Disbursements	<u>247,740</u>
Balance December 31, 2011	<u><u>\$75,384</u></u>

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2011

Series	PRINCIPAL OUTSTANDING 12/31/11 Serial Bonds:	FROM	TO	PERIOD	AMOUNT
1998 Refunding	\$990,765	09/01/2011	12/31/2011	4.0 Months	\$14,913
2003 Refunding	435,000	11/01/2011	12/31/2011	2.0 Months	2,680
2006 G.O. Bonds	1,113,000	07/15/2011	12/31/2011	5.5 Months	21,967
2010 G.O. Bonds	<u>3,375,000</u>	8/15/2011	12/31/2011	4.5 Months	<u>35,824</u>
	<u><u>\$5,913,765</u></u>				<u><u>\$75,384</u></u>

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENTS DESCRIPTION	BALANCE DECEMBER 31, 2011
Assessments Receivable:		
Water Improvements:		
426	Route No. 38	\$698
451	Westfield Road	1,425
Deferred Assessments:		
Sanitary Sewer Improvements:		
430	Stanwick Road	397
540	Timber Croft Road	1,174
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	6,583
485	Tom Brown Road	10,383
583	North Church Street	334
585	Riverton Road	2,488
		2,488
Total		\$60,225

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2010		AUTHORIZATIONS	ENCUMBRANCES			BALANCE DECEMBER 31, 2011		
				FUNDED	UNFUNDED		RECLASSIFIED	EXPENDED	ENCUMBRANCES CANCELED	FUNDED	UNFUNDED	
97-1835	Reconstruction of Cooper Avenue	9/22/97	\$23,000				5,808		5,808			
23-2008	Purchase DPW Heavy Vehicles & Equipment	8/25/08	390,000	\$39,377							39,377	
26-2008	Replace Mill Street Water	10/6/08	265,000	26,608			1,143				27,751	
6-2009/ 27-2009	Replacement of South Church Water Main	4/6/09 10/5/09	100,000 1,080,000		30,339		687		687		30,339	
29-2009	Redevelopment of Well #7	11/9/09	145,000	77,102			510		510		77,102	
30-2009	Purchase DPW Vehicles & Equipment	11/9/09	130,000	70,145			57,668	57,668			70,145	
17-2010	Repairs to Sewer Plant	9/27/10	130,000		42,330		86,164	94,938			33,556	
27-2010	Construction of Well #9	11/29/10	1,345,000		1,206,000		139,000	872,109	99,411		373,480	
36-2011	Lining of S. Church Sewer Main	11/28/11	50,000			50,000			42,000		8,000	
Total				\$243,571	1,248,330	50,000	290,980	1,024,715	148,416		244,714	415,036
Capital Improvement Fund						\$2,500						
Bonds & Notes Authorized						47,500						
Total						\$50,000						

04

EXHIBIT D-18

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

Balance December 31, 2010	\$206,826
Increase by:	
Anticipated from Water-Sewer Utility Operating	<u>230,000</u>
Subtotal	436,826
Decreased by:	
Down Payment to Fund Ordinances	<u>2,500</u>
Balance December 31, 2011	<u><u>\$434,326</u></u>

EXHIBIT D-19

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

Balance December 31, 2010	\$38,232,385
Increased by:	
Capital Outlay:	
Paid by Operating Budget	\$53,957
Bonds Redeemed	<u>1,238,795</u>
	1,292,752
Balance December 31, 2011	<u><u>\$39,525,137</u></u>

EXHIBIT D-20

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

Balance December 31, 2010	\$179,250
Increased by:	
Down Payment on Ordinances from Capital Improvement Fund	<u>2,500</u>
Balance December 31, 2011	<u><u>\$181,750</u></u>

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

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2010	BONDS ISSUED	DECREASED BY		BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				BONDS REDEEMED	BONDS DEFEASED	
Refunding Bonds 1998	09/01/98	\$9,558,600	09/01/12	\$915,765	4.50%	\$1,914,560		923,795		990,765
			09/01/13	75,000	4.70%					
General Obligation Refunding Bonds Series of 2003	4/30/2003	1,228,400	5/1/12	115,000	3.350%	545,000		110,000		435,000
			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%					
General Obligation Bonds Series 2007			1/15/12	92,000	4.250%	1,201,000		88,000		1,113,000
			1/15/13	95,000	4.250%					
			1/15/14	100,000	4.250%					
			1/15/15	104,000	4.250%					
			1/15/16	108,000	4.250%					
			1/15/17	113,000	4.250%					
			1/15/18	118,000	4.375%					
			1/15/19	123,000	4.375%					
			1/15/20	127,000	4.375%					
			1/15/21	133,000	4.375%					
General Obligation Bonds Series 2010	08/15/10	3,492,000	8/15/12	135,000	2.000%	3,492,000		117,000		3,375,000
			8/15/13	135,000	2.000%					
			8/15/14	140,000	2.000%					
			8/15/15	145,000	2.000%					
			8/15/16	145,000	2.000%					
			8/15/17	150,000	2.000%					
			8/15/18	155,000	2.250%					
			8/15/19	160,000	2.500%					
			8/15/20	165,000	3.000%					
			8/15/21	175,000	3.000%					
			8/15/22	180,000	3.000%					
			8/15/23	185,000	3.000%					
			8/15/24	195,000	3.000%					
			8/15/25	200,000	3.125%					
			8/15/26	210,000	3.250%					
			8/15/27	215,000	3.250%					
			8/15/28	225,000	3.375%					
8/15/29	230,000	3.500%								
8/15/30	230,000	3.625%								
Total										
						\$7,152,560	-	1,238,795	-	5,913,765

EXHIBIT D-22

**TOWNSHIP OF MOORESTOWN
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 and 2010

\$129,270

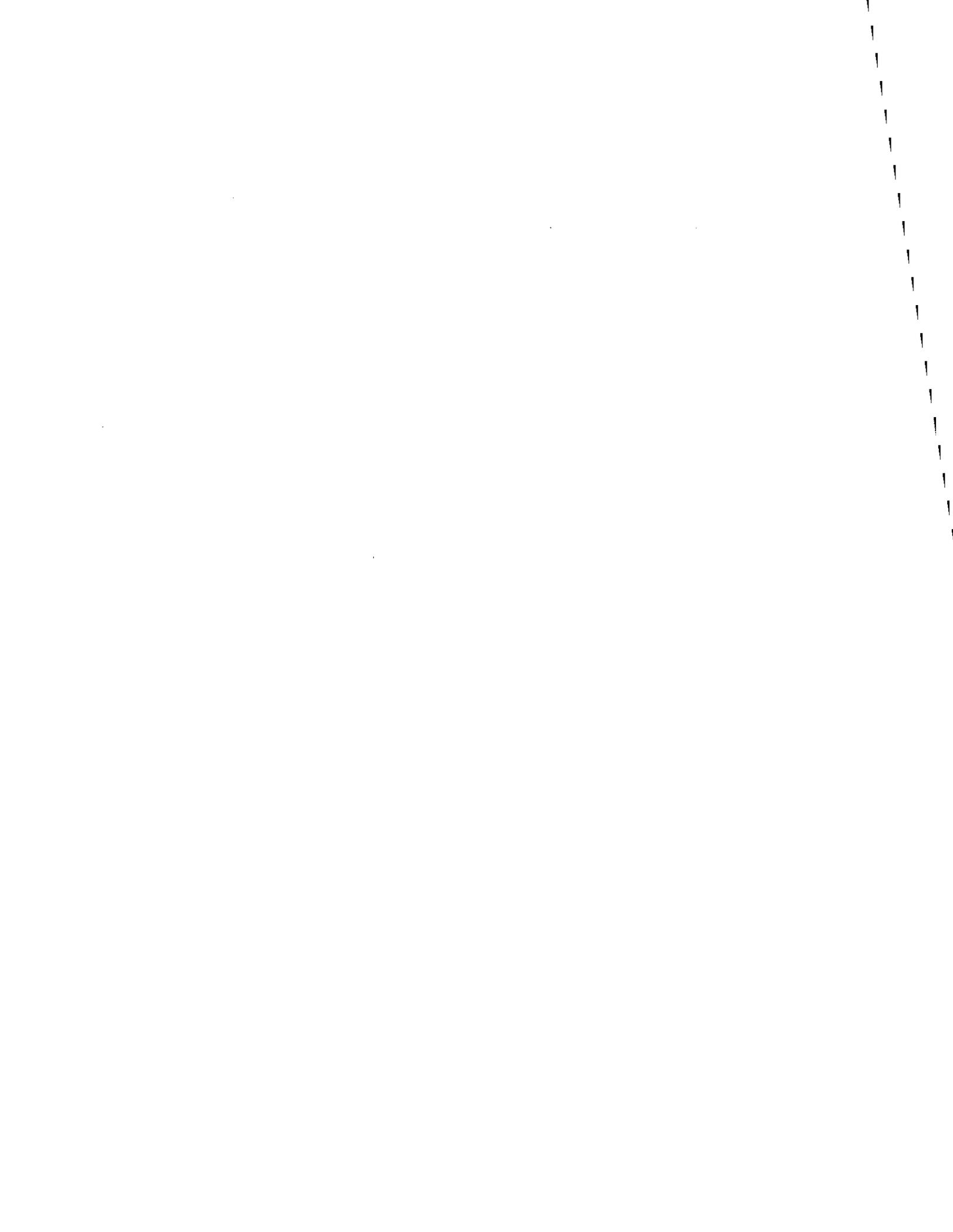
**TOWNSHIP OF MOORESTOWN
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	AUTHORIZATION RAISED/ CANCELED	BALANCE DECEMBER 31, 2011
17-2010	Repairs to Sewer Plant	\$123,500		123,500
27-2010	Construction of Well #9	1,277,750		1,277,750
36-2011	Preliminary Expenses - Lining of South Church - Street Sewer Line		47,500	47,500
	Total	<u>\$1,401,250</u>	<u>47,500</u>	<u>-</u> <u>1,448,750</u>

PAYROLL FUND

**TOWNSHIP OF MOORESTOWN
PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$118,888
Increased by Receipts:		
Net Payroll & Payroll Deductions	\$16,379,238	
Due Current Fund - Interest Earnings	3,106	16,382,344
Subtotal		16,501,232
Decreased by Disbursements:		
Net Payroll & Payroll Deductions	16,363,125	
Due Current Fund - Interest Earnings	3,106	16,366,231
Balance December 31, 2011		<u><u>\$135,001</u></u>

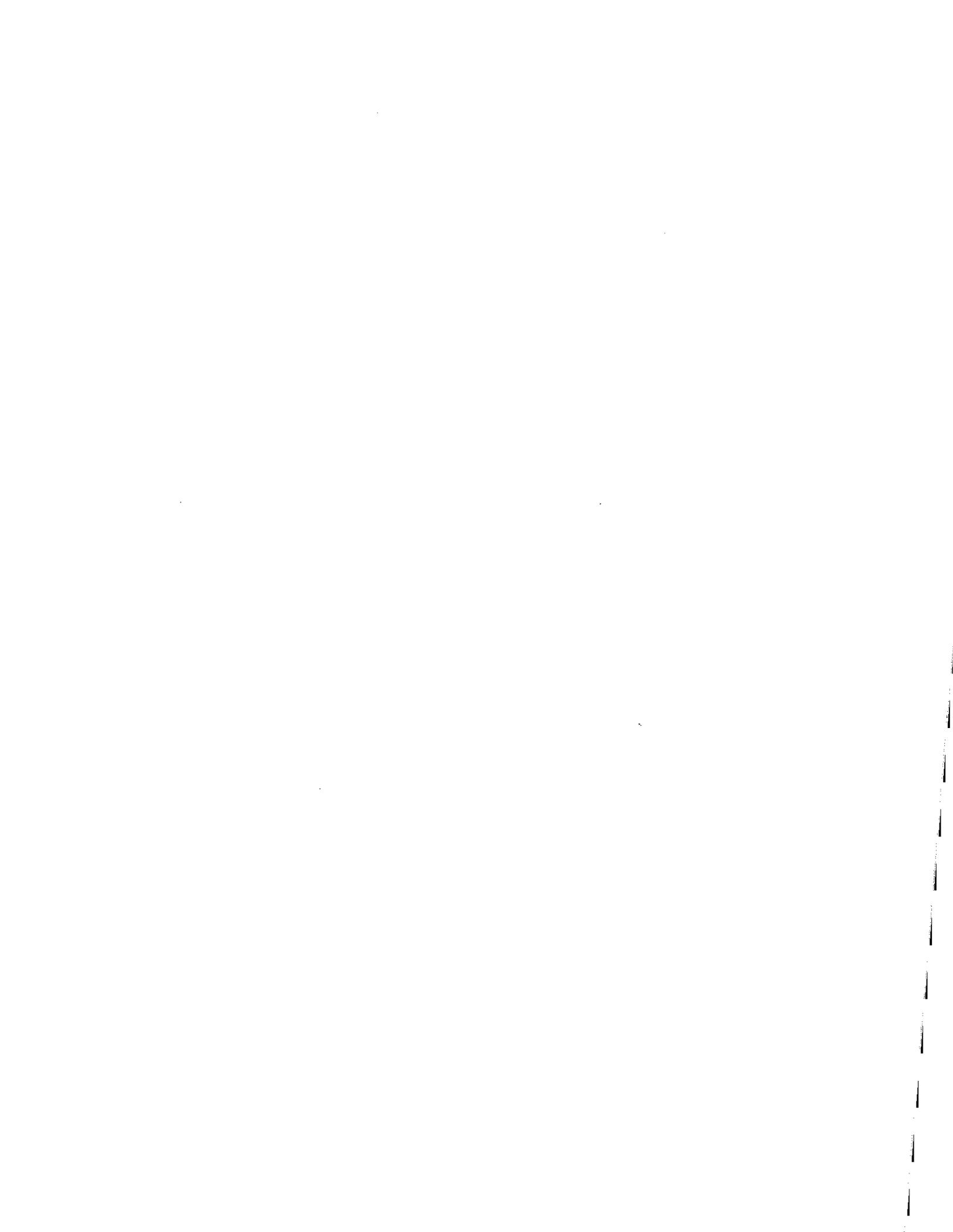


GENERAL FIXED ASSETS



**TOWNSHIP OF MOORESTOWN
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF INVESTMENT IN FIXED ASSETS
DECEMBER 31, 2011 AND 2010**

	BALANCE DECEMBER 31, 2010	NET ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2011
Land & Buildings	\$38,567,337			38,567,337
Equipment & Vehicles	9,440,656	263,968	385,308	9,319,316
	<hr/>			
Total	\$48,007,993	263,968	385,308	47,886,653
	<hr/>			



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 .62%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$49,156,000	49,156,000	
Water-Sewer Utility Debt	7,362,515	7,362,515	
General Debt	27,802,677	258,855	27,543,822
			<hr/>
Total	\$84,321,192	56,777,370	27,543,822
			<hr/> <hr/>

Net Debt, \$27,543,822 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$4,505,994,962 equals .61%.

Equalized Valuation Basis:

2011	\$4,404,722,037
2010	4,564,886,695
2009	4,548,376,154
	<hr/>
Average	\$4,505,994,962
	<hr/> <hr/>

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$157,709,824
Net Debt	27,543,822
	<hr/>
Remaining Borrowing Power	\$130,166,002
	<hr/> <hr/>

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

Fund Balance Utilized	\$793,278	
Cash Receipts From Fees, Rents & Other Charges	10,186,398	\$10,979,676
		<hr/>
Deductions:		
Operating & Maintenance Costs	6,213,075	
Debt Service	1,472,558	7,685,633
		<hr/>
Excess Revenue - Self Liquidating		\$3,294,043
		<hr/> <hr/>

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

CURRENT FUND	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized	\$2,407,500	2.41%	2,250,480	2.24%
Miscellaneous - From Other Than				
Local Property Tax Levies	4,868,546	4.87%	5,074,742	5.05%
Collection of Delinquent Taxes &				
Tax Title Liens	676,254	0.68%	882,106	0.88%
Collection of Current Tax Levy	91,483,411	91.44%	91,656,052	91.21%
Other Credits to Income:				
Unexpended Balance of				
Appropriation Reserves	590,720	0.59%	603,183	0.60%
Interfund Loans Returned	5	0.00%	151	0.00%
Cancellation of Grants			11,835	0.01%
Other Credits to Income	16,680	0.02%	15,235	0.02%
Total Income	100,043,116	100.00%	100,493,784	100.00%
Expenditures				
Budget Expenditures -				
Municipal Purposes	21,511,882	21.75%	21,219,483	21.53%
Special District Taxes	2,432,158	2.46%	2,417,592	2.45%
County Taxes	15,886,940	16.06%	16,014,677	16.25%
Local School Taxes	58,402,906	59.04%	58,402,906	59.27%
Municipal Open Space	465,789	0.47%	469,646	0.48%
Other Debits to Income:				
Interfunds Created	219,452	0.22%	5	0.00%
Cancellation of Grants			9,858	0.01%
Other Expenditures	4,000	0.00%	8,750	0.01%
Total Expenditures	98,923,127	100.00%	98,542,917	100.00%
Excess to Fund Balance	1,119,989		1,950,867	
Fund Balance January 1	2,525,074		2,824,687	
Total	3,645,063		4,775,554	
Less: Fund Balance Utilized as				
Revenue	2,407,500		2,250,480	
Fund Balance December 31	\$1,237,563		\$2,525,074	

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

WATER & SEWER UTILITY OPERATING FUND	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Fund Balance Utilized	\$793,278	7.69%	725,000	7.66%
Collection of Water Rents	8,192,657	79.46%	7,577,978	80.05%
Miscellaneous:				
Other Than Water Rents	1,200,463	11.64%	711,338	7.51%
Unexpended Balance of Appropriation Reserves	123,622	1.20%	451,769	4.77%
Total Income	10,310,020	100.00%	9,466,085	100.00%
Expenditures				
Budget Expenditures:				
Operating	6,537,500	74.35%	6,156,824	77.01%
Capital Improvement Fund	432,500	4.92%	57,500	0.72%
Debt Service	1,472,558	16.75%	1,484,807	18.57%
Deferred Charges & Statutory Expenditures	336,971	3.83%	296,200	3.70%
Refund of Prior Year Revenue	13,096	0.15%		
Total Expenditures	8,792,625	100.00%	7,995,331	100.00%
Excess to Fund Balance	1,517,395		1,470,754	
Fund Balance January 1	1,526,109		780,355	
Total	3,043,504		2,251,109	
Less: Fund Balance Utilized as Revenue	793,278		725,000	
Fund Balance December 31	\$2,250,226		1,526,109	

**Comparison of Tax Levies
and Collection Currently**

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

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2011	\$92,922,098	91,483,411	98.45%
2010	92,838,031	91,656,052	98.73%
2009	91,659,381	90,534,190	98.77%

Comparison of Tax Rate Information

	2011 (1)	2010 (1)	2009 (1)
Total Tax Rate	<u>\$1.942</u>	<u>\$1.925</u>	<u>\$1.897</u>
Apportionment of Tax Rate:			
Municipal	0.332	0.326	0.326
County	0.342	0.342	0.337
Local School	1.258	1.247	1.224
Municipal Open Space	0.010	0.010	0.010

(1) Does Not Include Fire District Tax

Net Valuation Taxable:

2011	<u>\$4,641,646,684</u>	
2010		<u>\$4,684,995,840</u>
2009		<u>\$4,696,418,385</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2011	\$862,756	882,795	1,745,551	1.88%
2010	812,988	691,690	1,504,678	1.62%
2009	763,593	893,578	1,657,171	1.81%

**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
2012	3,428,279	1,458,160	5,467
2013	3,385,293	568,804	4,799
2014	2,719,831	444,788	
2015	2,726,673	443,852	
2016	2,729,134	432,748	

Comparative Schedule of Fund Balance

CURRENT FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2011	\$1,237,563	1,175,000
2010	2,525,074	2,407,500
2009	2,824,687	2,250,480
2008	2,679,643	2,214,000
2007	5,463,947	4,760,658

WATER-SEWER OPERATING FUND:

YEAR	DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR
2011	\$2,250,226	
2010	1,526,109	793,278
2009	780,355	725,000
2008	1,620,634	1,306,533
2007	2,600,363	1,992,049

Property Acquired by Tax Title Lien Liquidation

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

YEAR	AMOUNT
2011	\$101,300
2010	101,300
2009	101,300

Comparison of Water Utility Levies

YEAR	LEVY
2011	\$8,111,352
2010	* 10,407,098
2009	6,146,369

*Billing Error, offsetting cancellation made by Tax Collector

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	POSITION	AMOUNT OF BOND	
John Button	Mayor		
Gregory Gallo	Deputy Mayor		
Michael Testa	Councilman		
Stacy Jordan	Councilman		
Chris Chiacchio	Councilman		
Scott Carew	Township Manager	\$1,000,000	(A)
Patricia L. Hunt	Township Clerk	\$1,000,000	(A)
Thomas J. Merchel	Director of Finance Deputy Manager	\$ 250,000	(B)
Dorothy A. Samartino	Tax Collector, Tax Search Officer and Collector of Water & Sewer Rents	\$ 375,000	(B)
Thomas J. Coleman, III	Solicitor		(A)
Lois F. Downey	Judge of the Municipal Court	\$ 78,000	(C)
Helena E. Robinson	Municipal Court Administrator	\$ 78,000	(C)
Steven Holmes	Construction Code Official		(A)
Alaimo Group	Engineer		(A)
Dennis DeKlerk	Tax Assessor		(A)

(A) An 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.

(B) Individually covered by Hartford.

(C) Court is covered separately by Western Surety.

**TOWNSHIP OF MOORESTOWN
COUNTY OF BURLINGTON**

PART II

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



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, 2011.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and 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 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:

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

2011 Overlay Project, Demolition of Town Hall, Well No. 9 and Pump, New Albany Road Phase II.

A test was conducted to determine that expenditures greater than \$5,400 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 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 10, 2011 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, 2011 included real estate taxes for 2011 and 2010.

The outstanding 2010 real estate taxes were for properties that had filed for bankruptcy thus barring tax sale procedure.

The last tax sale was held on October 13, 2011 and was complete.

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

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

YEAR	NUMBER OF LIENS
2011	16
2010	16
2009	16

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. The following exceptions were noted:

Payroll Fund (continued):

***Finding 2011-01:**

It was noted during our audit that the 2nd quarter NJ-927 and WR-30 reports were not filed timely.

Recommendation:

That all quarterly tax reports be prepared and filed in an accurate and timely manner in order to avoid penalties and fines.

***Finding 2011-02:**

It was noted during our audit that 5 out of 8 quarterly pension reports were not filed in a timely manner. Additionally, 10 out of 24 pension liability payments were paid untimely.

Recommendation:

That the quarterly pension reports are prepared and filed in a timely manner in order to avoid late filing penalties and that all pension liability payments are made timely.

***Finding 2011-03:**

It was noted during our audit that pension payments made by the Township for the Police & Firemen's Retirement System exceeded what was collected from employees which has created a credit balance on the Township's payroll records.

Recommendation:

That an investigation be completed by the Township as to the cause of the overpayment of pension liability and that the proper adjustments are made.

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.

Municipal Court (continued):

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.

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 2010 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, 2009.
- (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.

Prior Year Findings

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

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 "Michael Holt", with a stylized flourish at the end.

Michael Holt
Registered Municipal Accountant
No. CR473

Medford, New Jersey
May 11, 2012