

**TOWNSHIP OF EAST AMWELL**

**County of Hunterdon**

**Report of Audit**

**December 31, 2009 and 2008**

**With Independent Auditors' Report**

**Township of East Amwell  
County of Hunterdon  
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December 31, 2009 and 2008**

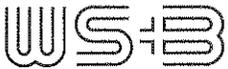
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**County of Hunterdon**  
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## Independent Auditors' Report on Audit of the Financial Statements

To the Honorable Mayor & Members of the Township Committee  
Township of East Amwell

We have audited the accompanying financial statements-regulatory basis of the individual funds of the Township of East Amwell, ("the Township"), as of and for the years ended December 31, 2009 and 2008, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Township. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 audits provide a reasonable basis for our opinion.

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

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds of the Township of East Amwell, County of Hunterdon, State of New Jersey as of December 31, 2009 and 2008, or the results of its operations and changes in fund balance for the years then ended.



Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position—regulatory basis of the various funds of the Township of East Amwell, County of Hunterdon, State of New Jersey as of December 31, 2009 and 2008, and the results of its operations and the changes in fund balances—regulatory basis of the individual funds for the years then ended and the revenues, expenditures and fund balances—regulatory basis for the year ended December 31, 2009, 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 June 22, 2010 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 audits were conducted for the purpose of forming opinions on the financial statements—regulatory basis that collectively comprise the Township's basic financial statements. The accompanying supplemental schedules and information of the individual funds listed in the foregoing table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such schedules and information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole, on the regulatory basis described in Note 1.

*Charles M. Case RMT # 54*  
*Wetherill Smith + Brown, P.C.*  
June 22, 2010



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**Independent Auditors' 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**

To the Honorable Mayor & Members of the Township Committee  
Township of East Amwell

We have audited the financial statements-regulatory basis of the Township of East Amwell, ("the Township"), as of and for the year ended December 31, 2009, and have issued our report thereon dated June 22, 2010. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements 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. 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 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's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

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

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



Compliance and Other Matters

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

We noted certain matters that we reported to the management of the Township in a separate letter dated June 22, 2010.

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

*Charles M. Cere, RMA #54*  
*Withum Smith + Brown, P.C.*  
June 22, 2010

## Financial Statements

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Current Fund**

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Comparative Balance Sheets-Regulatory Basis  
 December 31, 2009 and 2008

A  
 -1-

	Reference	2009	2008
<b>Assets</b>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 3,754,715.57	\$ 3,726,330.10
Cash - Petty Cash Fund		175.00	175.00
Cash - Change Funds		75.00	75.00
Due from State of NJ-Senior Citizens and Veterans Deductions		714.55	
		<u>3,755,680.12</u>	<u>3,726,580.10</u>
Receivables with Offsetting Reserves:			
Delinquent Property Taxes Receivable	A-5	257,212.07	240,265.29
Tax Title Liens Receivable	A-6	4,493.09	4,373.43
Property Acquired for Taxes - Assessed Valuation	A-7	22,300.00	22,300.00
Revenue Accounts Receivable	A-8	1,660.72	2,437.36
Due from Other Trust Funds	B	48.73	191.05
Due from Capital Fund	C	1.66	166.93
Due from West Amwell Township		7,391.82	
	A	<u>293,108.09</u>	<u>269,734.06</u>
Deferred Charges:			
Special Emergency Authorization 40A:4-55	A-9		35,000.00
		<u>4,048,788.21</u>	<u>4,031,314.16</u>
Federal and State Grant Fund:			
Cash	A-4	95,352.96	190,508.63
Federal and State Grants Receivable	A-13		12,457.20
		<u>95,352.96</u>	<u>202,965.83</u>
		<u>\$ 4,144,141.17</u>	<u>\$ 4,234,279.99</u>

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

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Comparative Balance Sheets-Regulatory Basis  
 December 31, 2009 and 2008

	Reference	2009	2008
<b>A</b>			
<b>-2-</b>			
<b>Liabilities, Reserves and Fund Balance</b>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3, A-10	\$ 49,609.94	\$ 56,253.76
Reserve for Encumbrances	A-3, A-10	56,003.25	78,118.61
Reserve for Revaluation Program			1,423.97
Taxes Collected in Advance		119,819.00	148,398.70
Tax Overpayments			92.24
Reserve for Garden State Trust Fund		26,110.83	24,748.25
Due to Open Space Trust Fund	B	385.02	1,363.73
Due to State of NJ-Senior Citizens and Veterans Deductions			28.08
Due to State to NJ-Uniform Construction Fees		1,075.00	946.00
Due to State of NJ-Marriage Licenses		75.00	100.00
Due to County for Added and Omitted Taxes		3,427.63	12,206.80
Local District School Taxes Payable	A-11	1,877,247.59	1,775,844.69
Regional High School Taxes Payable	A-12	1,241,092.08	1,122,195.66
		<u>3,374,845.34</u>	<u>3,221,720.49</u>
Reserve for Receivables and Other Assets	A	293,108.09	269,734.06
Fund Balance	A-1	380,834.78	539,859.61
		<u>4,048,788.21</u>	<u>4,031,314.16</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-14	95,352.96	202,965.83
		<u>\$ 4,144,141.17</u>	<u>\$ 4,234,279.99</u>

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

**Township of East Amwell  
County of Hunterdon  
Current Fund  
Comparative Statements of Operations and Change in Fund Balance-Regulatory Basis  
Years Ended December 31, 2009 and 2008**

	A-1	
	2009	2008
<b>Revenue and Other Income</b>		
Fund Balance Utilized	\$ 375,000.00	\$ 485,000.00
Miscellaneous Revenue Anticipated	1,108,910.05	2,210,915.01
Receipts from Delinquent Taxes	240,265.29	174,705.10
Receipts from Current Taxes	14,207,423.30	13,860,767.79
Non-Budget Revenue	9,476.88	16,632.64
Other Credits to Income:		
Unexpended Balances of Appropriation Reserves and Reserve for Encumbrances	40,025.66	122,471.54
Interfund Receivables Realized		10,237.36
Tax Overpayments Cancelled	1.07	1.32
	<u>15,981,102.25</u>	<u>16,880,730.76</u>
<b>Expenditures</b>		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	659,678.00	711,454.00
Other Expenses	668,714.00	734,092.00
Deferred Charges and Statutory Expenditures - Municipal	100,432.00	57,100.00
Operations Excluded From "CAPS" Operations:		
Salaries and Wages	5,150.00	300.00
Other Expenses	65,767.19	288,047.59
Capital Improvements	350,000.00	495,500.00
Municipal Debt Service	582,692.47	1,387,119.00
Deferred Charges -Municipal	35,000.00	35,000.00
Municipal Open Space Tax	316,520.02	318,053.73
Fire District Tax	184,424.00	190,597.00
County Taxes	2,780,227.24	2,814,598.09
Due to County for Added and Omitted Taxes	3,427.63	12,206.80
Local District School Tax	6,322,072.00	6,149,330.00
Regional High School Tax	3,681,970.71	3,444,177.83
Due from West Amwell Township	7,391.82	
Refund Prior Year Revenue	1,660.00	200.00
Refund Prior Year Taxes		4,645.64
	<u>15,765,127.08</u>	<u>16,642,421.68</u>
Excess In Revenue	215,975.17	238,309.08
Fund Balance, January 1	<u>539,859.61</u>	<u>786,550.53</u>
Decrease - Utilization as Anticipated Revenue	<u>375,000.00</u>	<u>485,000.00</u>
Fund Balance, December 31	<u>\$ 380,834.78</u>	<u>\$ 539,859.61</u>

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

Township of East Amwell  
County of Hunterdon  
Current Fund  
Statement of Revenues-Regulatory Basis  
Year Ended December 31, 2009

A-2  
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	Anticipated		Realized	Excess (Deficit)
	Budget	Special NJSA 40A:4-87		
Fund Balance Anticipated	\$ 375,000.00	\$	\$ 375,000.00	\$
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	2,060.00		2,472.00	412.00
Fees and Permits	35,000.00		31,446.00	(3,554.00)
Fines and Costs:				
Municipal Court	25,000.00		19,911.78	(5,088.22)
Interest and Costs on Taxes	54,000.00		68,743.36	14,743.36
Interest on Investments and Deposits	119,000.00		129,845.47	10,845.47
Rental Municipal Building	3,425.00		5,275.00	1,850.00
Consolidated Munc. Property Tax Relief Aid	78,207.00		78,207.00	
Energy Receipts Tax (P.L. 1997, Chp. 162 & 167)	316,542.00		316,542.00	
Garden State Preservation Trust Fund	24,748.25		24,748.25	
Uniform Construction Code Fees	54,000.00		60,701.00	6,701.00
Recycling Tonnage Grant		2,612.72	2,612.72	
Clean Communities Program	9,255.03	2,552.67	11,807.70	
Hunterdon County Open Space, Recreation, Farmland and Historic Preservation Trust Fund-Municipal Grants Program	38,497.77		38,497.77	
SNJDOT Grant-Back Brook Road	250,000.00		250,000.00	
Reserve for Kanack/Payment of Debt	50,000.00		50,000.00	
Capital Surplus	18,100.00		18,100.00	
	<u>1,077,835.05</u>	<u>5,165.39</u>	<u>1,108,910.05</u>	<u>25,909.61</u>
Receipts from Delinquent Taxes	<u>225,000.00</u>		<u>240,265.29</u>	<u>15,265.29</u>
Amounts to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	<u>1,171,379.75</u>		<u>1,190,065.70</u>	<u>18,685.95</u>
Budget Totals	<u>2,849,214.80</u>	<u>5,165.39</u>	<u>2,914,241.04</u>	<u>59,860.85</u>
Non-Budget Revenue			<u>9,476.88</u>	<u>9,476.88</u>
	<u>\$ 2,849,214.80</u>	<u>\$ 5,165.39</u>	<u>\$ 2,923,717.92</u>	<u>\$ 69,337.73</u>

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

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Statement of Revenues-Regulatory Basis  
 Year Ended December 31, 2009

A-2  
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Allocation of Current Tax Collections

Collections Realized		\$ 14,207,423.30
Allocated to:		
Municipal Open Space Tax	\$ 316,520.02	
Fire District Tax	184,424.00	
County Taxes	2,780,227.24	
County Share of Added and Omitted Taxes	3,427.63	
Local District School Tax	6,322,072.00	
Regional High School Tax	3,681,970.71	
	<u>13,288,641.60</u>	<u>13,288,641.60</u>
Balance for Support of Budget Appropriations		918,781.70
Increased by: Appropriation - Reserve for Uncollected Taxes		<u>271,284.00</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 1,190,065.70</u>

Analysis of Fees and Permits - Other

Treasurer:		
Board of Adjustment		\$ 350.00
Board of Health		27,571.00
Clean Up Day		2,065.00
Code of Twp. & Sourland Mountain Plan		75.00
Development Ordinance		35.00
Planning Board		250.00
Road Opening Permit		50.00
Smoke Detectors		1,050.00
		<u>\$ 31,446.00</u>
Treasurer:		
Cash Receipts		35,614.00
Cash Disbursed		<u>4,168.00</u>
		<u>\$ 31,446.00</u>

Township of East Amwell  
County of Hunterdon  
Current Fund  
Statement of Revenues-Regulatory Basis  
Year Ended December 31, 2009

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Analysis of Non-Budget Revenue

Aluminum Rebate	\$	228.80
Appropriation Refunds-2008		7.02
Insurance Refund		1,609.00
Cable TV Franchise Fee		3,458.89
Certified Lists		130.00
Clerk - Various		1,127.00
County of Hunterdon-Poli Rent		400.00
Miscellaneous - Collector		130.00
Tax Sale Costs		404.69
Miscellaneous-Treasurer		24.47
Motor Vehicle Inspection Fine		891.00
Payroll Refunds		161.57
State of NJ-Vets & Senior Citizens Admin. Fee		904.44
		<hr/>
	\$	<u>9,476.88</u>

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Statement of Expenditures-Regulatory Basis  
 Year Ended December 31, 2009

A-3  
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	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT FUNCTIONS:					
General Administration:					
Salaries and Wages	\$ 92,930.00	\$ 92,930.00	\$ 88,093.03	\$ 336.97	\$ 4,500.00
Other Expenses	47,700.00	44,700.00	36,519.80	3,180.20	5,000.00
Mayor and Committee:					
Salaries and Wages	9,045.00	9,503.00	9,503.00		
Other Expenses	427.00	7.00		7.00	
Municipal Clerk:					
Salaries and Wages	70,127.00	70,127.00	64,304.28	322.72	5,500.00
Other Expenses	7,790.00	7,790.00	5,343.40	946.60	1,500.00
Financial Administration:					
Salaries and Wages	35,322.00	35,084.00	34,427.45	156.55	500.00
Other Expenses	5,581.00	5,781.00	5,545.63	235.37	
Audit Services:					
Other Expenses	22,700.00	22,700.00	22,700.00		
Revenue Administration:					
Salaries and Wages	35,500.00	35,500.00	35,163.13	86.87	250.00
Other Expenses	9,900.00	9,900.00	7,743.13	656.87	1,500.00
Tax Assessment Administration:					
Salaries and Wages	29,137.00	29,137.00	29,137.00		
Other Expenses	16,650.00	9,350.00	6,588.92	2,011.08	750.00
Legal Services:					
Other Expenses	57,000.00	57,000.00	41,784.00	216.00	15,000.00
Agricultural Advisory Committee:					
Salaries and Wages	700.00	750.00	724.16	25.84	
Other Expenses	200.00	150.00	33.51	1.49	115.00
Engineering Services:					
Other Expenses	24,000.00	19,000.00	10,767.25	2,032.75	6,200.00
Historical Sites Office:					
Salaries and Wages	700.00	700.00	504.46	45.54	150.00
Other Expenses	3,064.00	3,064.00	912.80	651.20	1,500.00
LAND USE ADMINISTRATION:					
Planning Board:					
Salaries and Wages	16,000.00	16,000.00	15,278.64	221.36	500.00
Other Expenses	30,300.00	30,300.00	16,459.79	3,840.21	10,000.00
Zoning Board of Adjustment:					
Salaries and Wages	27,995.00	27,995.00	27,562.60	82.40	350.00
Other Expenses	11,900.00	5,900.00	4,354.94	545.06	1,000.00
INSURANCE:					
General Liability Insurance	68,932.00	68,932.00	64,929.61	2.39	4,000.00
Workmens Compensation Insurance	29,955.00	29,955.00	29,955.00		
Employee Group Health Insurance	140,625.00	147,625.00	133,984.88	1,640.12	12,000.00
PUBLIC SAFETY FUNCTIONS:					
Office of Emergency Management:					
Other Expenses	1,750.00	1,750.00	50.00	700.00	1,000.00
Aid to Volunteer Ambulance Companies	29,000.00	29,000.00	29,000.00		
Municipal Court:					
Salaries and Wages	33,483.00	33,483.00	33,360.50	122.50	
Other Expenses	7,457.00	7,457.00	6,522.87	234.13	700.00
Public Defender (P.L. 1997, C.256):					
Salaries and Wages	908.00	908.00	754.00		154.00
Municipal Prosecutors Office:					
Salaries and Wages	11,046.00	11,046.00	11,046.00		

Township of East Amwell  
County of Hunterdon  
Current Fund  
Statement of Expenditures-Regulatory Basis  
Year Ended December 31, 2009

A-3  
-2-

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS - WITHIN "CAPS"					
PUBLIC WORKS FUNCTIONS:					
Streets and Roads Maintenance:					
Salaries and Wages	\$ 205,784.00	\$ 209,784.00	\$ 209,384.91	399.09	
Other Expenses	90,268.00	90,268.00	67,406.41	7,361.59	15,500.00
Solid Waste Collection:					
Salaries and Wages	1,800.00	2,100.00	1,884.00	216.00	
Other Expenses	6,500.00	6,500.00	5,397.73	502.27	600.00
Vehicle Maintenance:					
Other Expenses	14,250.00	14,250.00	12,249.99	2,000.01	
Buildings and Grounds:					
Other Expenses	45,000.00	45,000.00	31,000.24	5,999.76	8,000.00
HUMAN SERVICES:					
Public Health Services:					
Salaries and Wages	18,500.00	18,500.00	16,015.06	484.94	2,000.00
Other Expenses	28,700.00	28,700.00	22,988.72	1,711.28	4,000.00
Environmental Health Services:					
Salaries and Wages	2,200.00	2,200.00	1,444.40	355.60	400.00
Other Expenses	1,500.00	1,500.00	500.75	299.25	700.00
Weifare/Adminin of Public Assistance:					
Salaries and Wages	2,515.00	2,515.00	2,515.00		
Other Expenses	500.00	500.00	499.95	0.05	
Contribution to Social Service Agencies-Statutory:					
Other Expenses	850.00	850.00	850.00		
RECREATION AND EDUCATION:					
Recreation Services & Programs:					
Salaries and Wages	5,920.00	5,920.00	5,846.03	73.97	
Other Expenses	9,700.00	9,700.00	9,292.04	407.96	
UNIFORM CONSTRUCTION CODE					
Approp Offset by Ded Revs (NJAC 5:23-4.17):					
Uniform Construction Code Enforcement Function:					
Salaries and Wages	71,000.00	70,500.00	68,985.49	814.51	700.00
Other Expenses	3,650.00	4,150.00	3,838.98	311.02	
UTILITY EXPENSES AND BULK PURCHASES:					
Electricity	23,000.00	23,000.00	20,822.80	677.20	1,500.00
Street Lighting	5,000.00	5,000.00	4,583.02	416.98	
Telephone	12,000.00	12,000.00	9,722.05	1,277.95	1,000.00
Fuel Oil	6,500.00	6,500.00	5,144.38	1,355.62	
Gasoline	17,000.00	17,000.00	10,286.08	1,713.92	5,000.00
Total Operations Within "CAPS"	1,449,961.00	1,439,961.00	1,283,711.81	44,680.19	111,569.00
Contingent					
Total Operations Including Contingent - Within "CAPS"	1,449,961.00	1,439,961.00	1,283,711.81	44,680.19	111,569.00
DETAIL:					
Salaries and Wages	670,612.00	674,682.00	655,933.14	3,744.86	15,004.00
Other Expenses - (Including Contingent)	779,349.00	765,279.00	627,778.67	40,935.33	96,565.00

Township of East Amwell  
County of Hunterdon  
Current Fund  
Statement of Expenditures-Regulatory Basis  
Year Ended December 31, 2009

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	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS - WITHIN "CAPS"					
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	\$ 53,000.00	\$ 53,000.00	\$ 51,319.90	\$ 0.10	\$ 1,680.00
Public Employees Retirement System	44,292.00	44,292.00	44,292.00		
Defined Contribution Retirement Program	100.00	100.00			100.00
Unemployment Insurance	3,000.00	3,000.00	3,000.00		
Compensation Plan:					
Other Expenses	1,820.00	1,820.00	1,820.00		
Total Deferred Charges & Statutory Expenditures -Municipal Within "CAPS"	102,212.00	102,212.00	100,431.90	0.10	1,780.00
Total General Appropriations for Municipal Purposes Within "CAPS"	1,552,173.00	1,542,173.00	1,384,143.71	44,680.29	113,349.00
OPERATIONS - EXCLUDED FROM "CAPS"					
NJPDDES Stormwater Permit (N.J.S.A. 40A: 4-45.3 (cc))					
Public Health Services:					
Salaries and Wages	500.00	500.00	147.66	102.34	250.00
Other Expenses	7,695.00	10,695.00	5,105.50	4,089.50	1,500.00
Affordable Housing Agency:					
Salaries and Wages	400.00	4,900.00	4,480.00		420.00
Other Expenses	100.00	2,600.00	1,862.55	737.45	
Recycling Enhancement Act (P.L. 2007 C311)	100.00	100.00	56.64	0.36	43.00
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Recycling Tonnage Grant (N.J.S.A. 40A:4-87 + \$2,612.72)		2,612.72	2,612.72		
Clean Communities Program:					
Other Expenses (40A:4-87 + \$2,552.67)	9,255.03	11,807.70	11,807.70		
Hunterdon County Open Space, Recreation, Farmland and Historic Preservation Trust Fund - Municipal Grants Program					
	38,497.77	38,497.77	38,497.77		
SFSP Fire District Payment	1,417.00	1,417.00	1,417.00		
Matching Funds for Grants	100.00	100.00			100.00
Total Operations - Excluded from "CAPS"	58,064.80	73,230.19	65,987.54	4,929.65	2,313.00
Detail:					
Salaries and Wages	900.00	5,400.00	4,627.66	102.34	250.00
Other Expenses	57,164.80	67,830.19	61,359.88	4,827.31	2,063.00

Township of East Amwell  
County of Hunterdon  
Current Fund  
Statement of Expenditures-Regulatory Basis  
Year Ended December 31, 2009

A-3  
-4-

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00		\$
New Jersey Transportation Trust Fund Authority	250,000.00	250,000.00	250,000.00		
Total Capital Improvements	350,000.00	350,000.00	350,000.00		
OPERATIONS - EXCLUDED FROM "CAPS"					
MUNICIPAL DEBT SERVICE:					
Payment of Bond Principal	300,000.00	300,000.00	300,000.00		
Interest on Bonds	224,853.00	224,853.00	224,852.50		0.50
Interest on Notes	23,000.00	23,000.00	23,000.00		
Loan Repayments for Principal and Interest	34,840.00	34,840.00	34,839.97		0.03
Total Municipal Debt Service	582,693.00	582,693.00	582,692.47		0.53
DEFERRED CHARGES:					
Special Emergency Authorizations - 5 years (NJSA: 40A: 4-55)	35,000.00	35,000.00	35,000.00		
Total Deferred Charges - Municipal Excluded from "CAPS"	35,000.00	35,000.00	35,000.00		-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,025,757.80	1,040,923.19	1,033,680.01	4,929.65	2,313.53
Subtotal General Appropriations	2,577,930.80	2,583,096.19	2,417,823.72	49,609.94	115,662.53
Reserve for Uncollected Taxes	271,284.00	271,284.00	271,284.00		
	<u>\$ 2,849,214.80</u>	<u>\$ 2,854,380.19</u>	<u>\$ 2,689,107.72</u>	<u>\$ 49,609.94</u>	<u>\$ 115,662.53</u>
Appropriation By 40A:4-87 Budget		\$ 5,165.39 2,849,214.80			
		<u>\$ 2,854,380.19</u>			
ANALYSIS OF PAID OR CHARGED:					
Federal and State Grant Funds			\$ 14,420.42		
Hunterdon County Municipal Grants Program			38,497.77		
New Jersey Transportation Trust Fund Authority			250,000.00		
Deferred Charge - Special Emergency Authorization (40A:4-55)			35,000.00		
Reserve for Encumbrances			56,003.25		
Reserve for Uncollected Taxes			271,284.00		
Disbursed			2,031,940.06		
			2,697,145.50		
Receipts			8,037.78		
			<u>\$ 2,689,107.72</u>		

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Trust Fund**

**Township of East Amwell  
County of Hunterdon  
Trust Fund  
Comparative Balance Sheets-Regulatory Basis  
December 31, 2009 and 2008**

			B
	Reference	2009	2008
<b>Assets</b>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 7,257.72	\$ 5,070.11
Change Fund		15.00	15.00
Total Animal Control Fund		<u>7,272.72</u>	<u>5,085.11</u>
Other Trust Funds:			
Cash - Treasurer	B-1	<u>320,375.31</u>	<u>251,927.65</u>
Open Space Trust Fund:			
Cash	B-1	1,049,575.57	941,956.78
Due from Current Fund	A	385.02	1,363.73
Total Open Space Trust Fund		<u>1,049,960.59</u>	<u>943,320.51</u>
		<u>\$ 1,377,608.62</u>	<u>\$ 1,200,333.27</u>
<b>Liabilities, Reserves and Fund Balance</b>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	B-3	\$ 7,272.72	\$ 5,085.11
Total Animal Control Fund		<u>7,272.72</u>	<u>5,085.11</u>
Other Trust Funds:			
Trust Fund Reserves	B-4	320,326.58	251,736.60
Due to Current Fund	A	48.73	191.05
Total Other Trust Funds		<u>320,375.31</u>	<u>251,927.65</u>
Open Space Trust Fund:			
Reserve for Open Space	B-5	1,049,960.59	943,320.51
Total Open Space Trust Fund		<u>1,049,960.59</u>	<u>943,320.51</u>
		<u>\$ 1,377,608.62</u>	<u>\$ 1,200,333.27</u>

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

**Township of East Amwell**

**County of Hunterdon**

**2009**

**General Capital Fund**

**Township of East Amwell  
County of Hunterdon  
General Capital Fund  
Comparative Balance Sheets-Regulatory Basis  
December 31, 2009 and 2008**

		C	
	Reference	2009	2008
<b>Assets</b>			
Cash	C-2	\$ 1,644,290.13	\$ 1,844,374.16
Fair Housing Loans Receivable		40,000.00	40,000.00
SNJ DOT Grants Receivable:			
Spring Hall Road Improvement		30,000.00	120,000.00
Road Improvement Back Brook Rd.		86,100.00	150,000.00
Lindbergh Road		100,000.00	250,000.00
Deferred Charges to Future Taxation:			
Funded	C-4	5,316,645.60	5,642,366.20
Unfunded	C-5	1,000,000.00	1,000,000.00
		<u>\$ 8,217,035.73</u>	<u>\$ 9,046,740.36</u>
<b>Liabilities, Reserves and Fund Balance</b>			
General Serial Bonds Payable	C-10	\$ 4,880,000.00	\$ 5,180,000.00
Bond Anticipation Notes	C-9	1,000,000.00	1,000,000.00
Green Trust Loan Advance/Payable	C-8	436,645.60	462,366.20
Capital Improvement Fund	C-6	47,860.01	90,060.01
Improvement Authorizations:			
Funded	C-7	1,062,951.54	1,440,285.51
Unfunded	C-7	394,982.88	397,149.42
Due to Current Fund	A	1.66	166.93
Reserve for Kanack - Payment of Debt		332,643.67	382,643.67
Reserve for Kanack (Harrison) - Payment of Debt		619.90	619.90
Reserve for Reiter - Payment of Debt			
Reserve for Fair Housing Loans Receivable		40,000.00	40,000.00
Reserve for Preliminary Expenses:			
Farmland Preservation and/or Open Space		7,625.83	17,336.08
Preservation Plan for the Homestead at Clawson Park		4,555.00	4,555.00
Purchase of Tax Liens for Future Open Space Acquisition		5,000.00	5,000.00
Future Road Projects		2,656.50	8,370.00
Pedestrian Improvements for Village of Ringoes		1,405.50	
Fund Balance	C-1	87.64	18,187.64
		<u>\$ 8,217,035.73</u>	<u>\$ 9,046,740.36</u>

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

**Township of East Amwell  
County of Hunterdon  
General Capital Fund  
Statement of Fund Balance-Regulatory Basis  
Year Ended December 31, 2009**

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	C-1
Balance, December 31, 2008	\$ 18,187.64
Decreased by:	
Payment to Current Fund as Anticipated Revenue	<u>18,100.00</u>
Balance, December 31, 2009	<u><u>\$ 87.64</u></u>

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

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Public Assistance Fund**

**Township of East Amwell**  
**County of Hunterdon**  
**Public Assistance Fund**  
**Comparative Balance Sheets-Regulatory Basis**  
**December 31, 2009 and 2008**

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			D
	Reference	2009	2008
<b>Assets</b>			
Cash	D-1	<u>\$ 12,616.58</u>	<u>\$ 14,328.57</u>
<b>Liabilities, Reserves and Fund Balance</b>			
Reserve for Public Assistance		<u>\$ 12,616.58</u>	<u>\$ 14,328.57</u>

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

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Payroll Fund**

Township of East Amwell  
 County of Hunterdon  
 Payroll Fund  
 Comparative Balance Sheets-Regulatory Basis  
 December 31, 2009 and 2008

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			E
	Reference	2009	2008
<b>Assets</b>			
Cash	E-1	<u>\$ 2,852.56</u>	<u>\$ 2,946.22</u>
		<u>\$ 2,852.56</u>	<u>\$ 2,946.22</u>
<b>Liabilities, Reserves and Fund Balance</b>			
Payroll Taxes Payable	E-2	<u>\$ 2,852.56</u>	<u>\$ 2,946.22</u>
		<u>\$ 2,852.56</u>	<u>\$ 2,946.22</u>

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

**Township of East Amwell**

**County of Hunterdon**

**2009**

**General Fixed Assets**

Township of East Amwell  
 County of Hunterdon  
 Statement of General Fixed Assets-Regulatory Basis  
 Years Ended December 31, 2009 and 2008

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	F	
	2009	2008
General Fixed Assets:		
Land	\$ 1,726,720.00	\$ 1,726,720.00
Buildings and Improvements	1,293,249.07	1,259,883.57
Machinery and Equipment	<u>1,196,637.14</u>	<u>1,187,897.14</u>
	<u>\$ 4,216,606.21</u>	<u>\$ 4,174,500.71</u>
Investment in General Fixed Assets	<u>\$ 4,216,606.21</u>	<u>\$ 4,174,500.71</u>

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

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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**1. Summary of Significant Accounting Policies**

**Reporting Entity**

Except as noted below, the financial statements of the Township of East Amwell include every board, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of East Amwell as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements do not include the operations of the local or regional school board, the Fire Commissioners, first aid squad, and the joint municipal court, all of which are subject to separate audit. Included within the financial statements are taxes levied, collected, and turned over to the local and regional school boards, the County of Hunterdon and the Fire Commissioners and appropriations for contributions to the first aid squad.

**Description of Funds**

The Township of East Amwell uses funds and account groups to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance with the policies and procedures required by the State of New Jersey, Division of Local Government Services and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in funds because they do not directly affect net expendable available resources.

Governmental Funds

Current Fund - resources and expenditures for governmental 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.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. Current and long-term debt is recorded in this fund.

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

Payroll Fund - funds used to pay employees and related payroll deductions and taxes.

Account Groups

General Fixed Assets Account Group - used to account for all fixed assets of the Township of East Amwell, other than those accounted for in proprietary or trust funds.

**Regulatory Basis Presentation**

The accounting policies of the Township of East Amwell conform to the accounting principles and practices applicable to municipalities which have been prescribed by the New Jersey Department of Community Affairs, Division of Local Government Services. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting the stewardship of public officials with respect to public funds.

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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

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

Expenditures - are reported on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order (in conjunction with the Encumbrance Accounting System). Outstanding encumbrances at December 31 are shown as encumbrances payable in the financial statements. Appropriation reserves covering unexpended appropriation balances are created automatically at December 31 of each year and recorded as liabilities, except for amounts, which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis. Interest on the general capital indebtedness is also on the cash basis.

Deferred Charges to Future Taxation-Funded and Unfunded (Capital Fund) - Upon authorization of capital projects, the Township establishes deferred charges for the cost of the capital projects that are to be raised by future taxation. Deferred charges that relate to permanent debt issued are shown as funded. All other deferred charges are shown as unfunded.

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

Tax Title Liens - are taxes, which have been put up for sale but have not been purchased. The Township then accepts the lien, which will earn 18% per annum until the lien is paid off by the property owner. The Township may choose to foreclose on the property and return the property to the tax rolls.

Joint Insurance Fund - The Township participates in a Joint Insurance Fund for its general and auto liability, property and automobile physical damage, workers compensation and public official's liability.

Interfunds - interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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 - In accordance with Technical Accounting Directive No. 85-2, issued in 1985, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, all local government units are required to have and maintain a fixed asset accounting and reporting system for general fixed assets. In accordance with this Directive, all general fixed assets owned as of December 31, 1985 are to be valued at cost, estimated historical cost or any other reasonable basis. For all general fixed assets acquired beginning January 1, 1986, the required basis for valuation is actual cost.

The Township has developed a fixed asset accounting and reporting system based on an inventory of all Township assets. Fixed assets used in governmental operations are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets, sidewalks and drainage systems are not capitalized.

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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All fixed assets are valued at historical cost, or estimated historical cost, if actual historical cost is not available, except for land and buildings at January 1, 1986, which were valued at assessed valuation.

No depreciation has been provided for in the financial statements.

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

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

Departures from Generally Accepted Accounting Principles - The accounting principles followed by the Township of East Amwell differ in some respects from generally accepted accounting principles applicable to local government units. Some of these differences may be material. The more significant differences are as follows:

- a. Property tax receivables, interfund receivables, and other receivables, which are susceptible to accrual, are fully reserved and not recognized as revenue until the cash is received.
- b. Unexpended and uncommitted appropriations are reflected as expenditures for the current year and cancelled to fund balance at the end of the following year.
- c. Overexpended appropriations and emergency appropriations are deferred to succeeding years' operations.
- d. Liabilities for sick and vacation pay and for contributions to state administered pension plans are not recorded until paid.
- e. Losses arising from tax appeals and other contingencies are not recorded until paid.

It is not practical to determine the effect of such differences on the financial statements.

**2. Deposits and Investments**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agency of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The State of New Jersey Cash Management fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of fund investments is generally not required.

The cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:9-41, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums. Cash determined by the Township Committee consists of all bank accounts, including certificates of deposit.

As of December 31, 2009, the Township's cash accounts consisted of:

TD Bank	\$6,880,905.52
Citi Fund Services-New Jersey State Cash Management	<u>6,395.88</u>
	<u>\$6,887,301.40</u>

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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The carrying amount of the Township's cash and cash equivalents at December 31, 2009 was \$6,887,301.40 and the bank balance was \$6,865,692.67. Of the balance, \$250,000.00 was covered by federal depository insurance and \$6,615,692.67 was covered by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:9-41, et seq. for all New Jersey governmental units' deposits in excess of the federal deposit maximums.

The cash deposits held at financial institutions can be categorized according to three levels of risk as described below:

Category 1	Deposits which are covered by FDIC, or collateralized by securities held by the Township or its agent, in the Township's name	\$ 250,000.00
Category 2	Deposits which are collateralized with securities held by the pledging financial institution's trust department, or Agent in the Township's name	6,615,692.67
Category 3	Deposits which are not collateralized or insured	--

**Investments**

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Associates or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- (c) Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (d) Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, which are approved by the New Jersey Department of Treasury, Division of Investments.
- (e) Qualified mutual funds with portfolios limited to (i) bonds or other obligations of, or guaranteed by, the United States of America; and (ii) repurchase agreements fully collateralized by such obligations. These investments must be transacted only through national or state banks located within New Jersey.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Township.

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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**3. Long Term Debt**

Municipal Debt consists of the following at December 31:

	2009	2008	2007
Issued:			
General:			
Bonds and notes	\$ 5,880,000.00	\$ 6,180,000.00	\$7,266,150.00
NJ Economic Development Authority loan payable	--	--	11,966.62
NJDEP Green Acres loan payable	<u>436,645.60</u>	<u>462,366.21</u>	<u>487,580.02</u>
		6,642,366.21	7,765,696.64
Authorized but not issued:			
General:			
Bonds and notes	--	--	--
Green trust loan advance	<u>--</u>	<u>--</u>	<u>--</u>
	<u>\$6,316,645.60</u>	<u>\$ 6,642,366.21</u>	<u>\$7,765,696.64</u>

Summary of Regulatory 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 regulatory net debt of 0.77%.

	Gross Debt	Deductions	Net Debt
Local school district debt	\$1,595,000.00	\$1,595,000.00	\$ --
Regional High School district debt	1,890,220.96	1,890,220.96	--
General debt	<u>6,316,645.60</u>	<u>--</u>	<u>6,316,645.60</u>
	<u>\$9,801,866.56</u>	<u>\$3,485,220.96</u>	<u>\$6,316,645.60</u>

Net debt \$6,316,645.60 divided by equalized valuation basis per NJSA 40A:2-2 as amended, \$822,644,173 = 0.77%.

Borrowing Power Under NJSA 40A:2-6 As Amended

3.5% of equalized valuation basis	\$28,792,546.06
Net debt	<u>6,316,645.60</u>
Remaining borrowing power	<u>\$22,475,900.46</u>

**Township of East Amwell  
Notes to Financial Statements  
December 31, 2009 and 2008**

Schedule of Annual Debt Service for principal and interest for general serial bonds issued and outstanding

Year	Principal	Interest	Total
2010	\$ 300,000.00	\$ 211,592.50	\$ 511,592.50
2011	325,000.00	197,722.50	522,722.50
2012	340,000.00	182,890.00	522,890.00
2013	365,000.00	167,170.00	532,170.00
2014	390,000.00	150,327.50	540,327.50
2015-2019	2,030,000.00	475,421.25	2,505,421.25
2020-2023	<u>1,130,000.00</u>	<u>85,190.00</u>	<u>1,215,190.00</u>
	<u>\$4,880,000.00</u>	<u>\$1,470,313.75</u>	<u>\$6,350,313.75</u>

Schedule of Annual Debt Service for Principal and Interest for New Jersey Department of Environmental Protection Green Acres Loan Payable

Year	Principal	Interest	Total
2010	\$ 26,237.60	\$ 8,602.38	\$ 34,839.97
2011	26,764.97	8,075.00	34,839.97
2012	27,302.94	7,537.02	34,839.97
2013	27,851.73	6,988.24	34,839.97
2014	28,411.56	6,428.41	34,839.97
2015-2019	150,856.91	23,342.94	174,199.85
2020-2024	<u>149,219.89</u>	<u>7,559.97</u>	<u>156,779.86</u>
	<u>\$ 436,645.60</u>	<u>\$ 68,533.96</u>	<u>\$ 505,179.56</u>

**4. Fund Balance Appropriated**

The Current Fund balance at December 31, 2009 which was appropriated and included as anticipated revenue in the Current Fund amounted to \$230,300.00 in the budget adopted for the year 2010.

**5. School Taxes**

Local district school taxes and regional high school taxes have been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>Balance December 31, 2009</u>	<u>Balance December 31, 2008</u>	<u>Balance December 31, 2009</u>	<u>Balance December 31, 2008</u>
Balance of tax	\$2,625,425.09	\$2,524,022.19	\$1,840,985.34	\$1,722,088.92
Deferred	<u>748,177.50</u>	<u>748,177.50</u>	<u>599,893.26</u>	<u>599,893.26</u>
Payable	<u>\$1,877,247.59</u>	<u>\$1,775,844.69</u>	<u>\$1,241,092.08</u>	<u>\$1,122,195.66</u>

**6. Taxes Collected In Advance**

Taxes collected in advance are classified as prepayments and are set forth as cash liabilities in the financial statements at December 2009 and 2008 as follows:

	2009	2008
Prepaid Taxes	<u>\$119,819.00</u>	<u>\$148,398.70</u>

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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**7. Property Taxes**

Property taxes are levied annually and are due quarterly on the following dates: February 1, May 1, August 1 and November 1. Property taxes are considered to be delinquent if not received within ten days of the respective due dates:

**8. Pension Plans**

Substantially all of the employees of the Township of East Amwell are enrolled in the Public Employees Retirement System ("PERS"). The Division of Pensions in the Department of the Treasury, State of New Jersey, administers the PERS plan. The plan is funded annually based on the projected benefit method with aggregate level normal cost and frozen initial unfunded accrued liability. The plan, which covers public employees throughout the State of New Jersey, does not maintain separate records for each reporting unit and, accordingly, the actuarial data for the employees of the Township who are members of the plan are not available.

The Township's contributions in 2009 and 2008 were \$44,292.00 and \$34,176.20, respectively for PERS. A portion of the annual employer contributions to the pension system represents additional costs for Township participation in an Early Retirement Incentive Program ("ERIP") authorized in a prior period.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues publicly available financial reports that include the financial statements and required supplementary information for the PERS. This financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

**9. Fixed Assets**

The changes in fixed assets are summarized as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>Dec. 31, 2008</b>	<b>Increase</b>	<b>Decrease</b>	<b>Dec. 31, 2009</b>
Land	\$1,726,720.00	\$ --	\$ --	\$1,726,720.00
Building & improvements	1,259,883.57	33,365.50	--	1,293,249.07
Machinery & equipment	<u>1,187,897.14</u>	<u>8,740.00</u>	<u>--</u>	<u>1,196,637.14</u>
	<u>\$4,174,500.71</u>	<u>\$42,105.50</u>	<u>\$ --</u>	<u>\$4,216,606.21</u>

**10. Leases**

The Township has not entered into any capital lease agreements as of December 31, 2009 and 2008.

**11. Compensated Absences**

The Township has not permitted employees to accrue unused vacation days. Sick days may be accumulated up to 30 days. However, any person leaving the employment of the Township is not compensated for any accumulated sick days.

**Township of East Amwell**  
**Notes to Financial Statements**  
**December 31, 2009 and 2008**

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**12. Interfund Receivables and Payables:**

	Interfund Receivable	Interfund Payable
Current Fund	\$ 50.39	\$385.02
Other Trust Funds	--	48.73
Open Space Trust Fund	385.02	--
Capital Fund	<u>    --</u>	<u>    1.66</u>
	<u>\$435.41</u>	<u>\$435.41</u>

**13. Contingent Liabilities**

The Township's attorney and other legal counsel representing the Township have indicated there are various claims by persons who have asserted tort claims against the Township of East Amwell. These claims have been turned over to the insurance company and those claims should not exceed the policy limits or that there are any uncovered claims asserted.

**14. Subsequent Events**

The Township has evaluated subsequent events occurring after the balance sheet date through June 22, 2010, which is the date the financial statements were available to be issued. Ordinance #10-11, adopted on June 3, 2010 and effective July 1, 2010, approves a shared services agreement between the Townships of East Amwell and Raritan for a Construction Code Office.

**Supplementary Information-Regulatory Basis**

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Current Fund**

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Cash-Treasurer  
 Year Ended December 31, 2009

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	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2008	\$ 3,726,330.10	\$ 190,508.63
Increased by Receipts:		
Petty Cash Fund	\$ 150.00	
Taxes Receivable	14,253,233.10	
Interest and Costs on Taxes	68,743.36	
Taxes Collected in Advance	119,819.00	
Tax Overpayments	1.07	
Miscellaneous Revenue Not Anticipated	9,476.88	
Revenue Accounts Receivable	716,668.25	
Appropriation Refunds	8,037.78	
Due to State of NJ - Uniform Construction Code Fees	5,775.00	
Due to State of NJ - Marriage Licenses	175.00	
Due to Other Trust Funds	14,054.90	
Reserve for Garden State Trust Fund	26,110.83	
State of New Jersey - Senior Citizens' & Veterans' Deductions	45,221.92	
Grants Receivable		\$ 26,877.62
Contra Items	<u>28,611.00</u>	
	<u>15,296,078.09</u>	<u>26,877.62</u>
	19,022,408.19	217,386.25
Decreased by Disbursements:		
Petty Cash Fund	150.00	
Refund Prior Year Revenue	1,660.00	
Refund of Revenue Accounts Receivable	4,168.00	
2009 Appropriations	2,031,940.06	
2008 Appropriation Reserves	94,346.71	
Reserve for Revaluation Program	1,423.97	
Due to Open Space Trust Fund	1,363.73	
Due from West Amwell Township	7,391.82	
Due to State of NJ - Uniform Construction Code Fees	5,646.00	
Due to State of NJ - Marriage License	200.00	
Municipal Open Space Tax	316,135.00	
Fire District Tax	184,424.00	
County Taxes	2,780,227.24	
2008 County Share of Added and Omitted Taxes	12,206.80	
Local District School Tax	6,220,669.10	
Regional High School Tax	3,563,074.29	
Appropriated Reserves		122,033.29
Due to Other Trust Funds	14,054.90	
Contra Items	<u>28,611.00</u>	
	<u>15,267,692.62</u>	<u>122,033.29</u>
Balance, December 31, 2009	<u>\$ 3,754,715.57</u>	<u>\$ 95,352.96</u>

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Taxes Receivable and Analysis of Property Tax Levy  
 Year Ended December 31, 2009

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Year	Balance December 31, 2008	2009 Levy	2008	2009	Tax Overpayment Applied	Cancelled	State's Share of Senior Citizens & Veterans Deductions Allowed-Net	Transferred to Tax Title Liens	Balance December 31, 2009
2006	\$ 3,210.12	\$	\$	3,210.12	\$	\$	\$	\$	\$
2007	7,646.22			7,646.22					
2008	229,408.95			229,408.95					
	240,265.29			240,265.29					
2009		14,486,633.03	148,398.70	14,012,967.81	92.24	21,878.00	45,964.55	119.66	257,212.07
	\$ 240,265.29	\$ 14,486,633.03	\$ 148,398.70	\$ 14,253,233.10	\$ 92.24	\$ 21,878.00	\$ 45,964.55	\$ 119.66	\$ 257,212.07

**Township of East Amwell  
County of Hunterdon  
Current Fund  
Schedule of Taxes Receivable and Analysis of Property Tax Levy  
Year Ended December 31, 2009**

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**Analysis of 2009 Property Tax Levy**

Tax Yield:		
General Purpose Tax		\$ 14,239,794.25
Fire District Taxes		184,424.00
Added and Omitted Taxes:		
Omitted Taxes (54:4-63.12 et. seq.)		1,408.89
Added Taxes (54:4-63.1et. seq)		16,005.89
Senior Citizens' Exemptions Allowed At Tax Billings		40,500.00
Veterans' Deductions Allowed at Tax Billings		4,500.00
		<u>\$ 14,486,633.03</u>

Tax Levy:		
Local District School Tax (Abstract)		\$ 6,322,072.00
Regional High School Tax (Abstract)		3,681,970.71
County Taxes:		
General (Abstract)	\$ 2,339,477.11	
Library Tax (Abstract)	196,680.25	
County Open Space Preservation	244,069.88	
	<u>2,780,227.24</u>	
Due to County for Added and Omitted Taxes	3,427.63	
		2,783,654.87
Municipal Open Space Trust Fund (Abstract)	316,135.00	
Due to Municipal Open Space for Added and Omitted Taxes	<u>385.02</u>	
		316,520.02
Fire District No. 1 Tax (Abstract)		184,424.00
Local Tax for Municipal Purposes:		
Abstract	1,171,379.75	
Additional Tax Levied	<u>26,611.68</u>	
		1,197,991.43
		<u>\$ 14,486,633.03</u>

**Analysis of Collections Realized**

	<u>2009</u>	<u>Prior Years</u>
Taxes Paid in Advance Applied	\$ 148,398.70	\$
Tax Overpayments Applied	92.24	
Taxes Receivable Collected	14,012,967.81	240,265.29
State Share of Senior Citizens' Deductions	40,500.00	
State Share of Senior Citizens' Deductions Allowed	1,000.00	
State Share of Senior Citizens' Deductions Disallowed	(535.45)	
State Share of Veteran's Deductions	4,500.00	
State Share of Veteran's Deductions Allowed	<u>500.00</u>	
	<u>\$ 14,207,423.30</u>	<u>\$ 240,265.29</u>

See Independent Auditors' Report.

**Township of East Amwell  
County of Hunterdon  
Current Fund  
Schedule of Tax Title Liens Receivable  
Year Ended December 31, 2009**

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	<b>A-6</b>
Balance, December 31, 2008	\$ 4,373.43
Increased by:	
Transfers from Taxes Receivable	<u>119.66</u>
Balance, December 31, 2009	<u>\$ 4,493.09</u>

**Schedule of Property Acquired for Taxes-Assessed Valuation  
Year Ended December 31, 2009**

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Balance, December 31, 2009 and 2008	<u>\$ 22,300.00</u>

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Revenue Accounts Receivable  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Accrued in 2009	Collected by Treasurer	Prior Year Reserve Applied	Balance December 31, 2009
Anticipated Revenues:					
Licenses:					
Alcoholic Beverages	\$	\$ 2,472.00	\$ 2,472.00	\$	\$
Fees and Permits:					
Construction Code Official		60,701.00	60,701.00		90.00
Other		31,446.00	31,446.00		
Municipal Court Fines and Costs	1,512.36	19,970.14	19,911.78		1,570.72
Interest on Investments and Deposits	925.00	129,845.47	129,845.47		
Rental of Municipal Building		5,275.00	5,275.00		
Consolidated Municipal Property					
Tax Relief Aid		78,207.00	78,207.00		
Energy Receipts Tax		316,542.00	316,542.00		
Reserve for Garden State Trust Fund		24,748.25		24,748.25	
Reserve for Kanack-Payment of Debt		50,000.00	50,000.00		
Capital Surplus		18,100.00	18,100.00		
	<u>\$ 2,437.36</u>	<u>\$ 737,306.86</u>	<u>\$ 712,500.25</u>	<u>\$ 24,748.25</u>	<u>\$ 1,660.72</u>
Cash Received			\$ 716,668.25		
Cash Disbursed			<u>4,168.00</u>		
			<u>\$ 712,500.25</u>		

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Deferred Charges  
 N.J.S.A. 40A: 4-55 Special Emergency-Codification of Ordinances, Tax Map and Revaluation Program  
 Year Ended December 31, 2009

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Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance December 31, 2008	Reduced in 2009	Balance December 31, 2009
3/11/04	Tax Map	\$ 10,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$
3/11/04	Revaluation Program	165,000.00	33,000.00	33,000.00	33,000.00	
		\$ 175,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Appropriation Reserves  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Balance After Transfers and Encumbrances	Paid or Charged	Balance Lapsed
OPERATIONS - WITHIN "CAPS"				
GENERAL GOVERNMENT FUNCTIONS:				
General Administration:				
Salaries and Wages	\$ 910.02	\$ 1,219.44	\$ 309.42	\$ 910.02
Other Expenses	314.20	5,883.25	5,569.05	314.20
Mayor and Committee:				
Other Expenses	7.00	7.00		7.00
Municipal Clerk:				
Salaries and Wages	663.15	884.67	221.52	663.15
Other Expenses	1,015.65	1,088.84	73.19	1,015.65
Financial Administration:				
Salaries and Wages	181.63	181.63		181.63
Other Expenses	562.99	562.99	146.28	416.71
Revenue Administration:				
Salaries and Wages	414.96	414.96		414.96
Other Expenses	224.91	474.91	250.00	224.91
Tax Assessment Administration:				
Other Expenses	5,341.72	7,532.06	2,190.34	5,341.72
Legal Services:				
Other Expenses	12,881.30	17,294.30	16,913.00	381.30
Agricultural Advisory Committee:				
Salaries and Wages	22.55	75.11	52.56	22.55
Other Expenses	184.92	184.92		184.92
Engineering Services:				
Other Expenses	321.53	2,097.53	2,097.53	
Historical Sites Office:				
Salaries and Wages	138.63	138.63		138.63
Other Expenses	272.74	272.74		272.74
LAND USE ADMINISTRATION:				
Planning Board:				
Salaries and Wages	424.35	608.61	184.26	424.35
Other Expenses	2,116.23	4,867.03	1,871.05	2,995.98
Zoning Board of Adjustment:				
Salaries and Wages	356.52	540.78	184.26	356.52
Other Expenses	2,631.02	2,707.52	758.50	1,949.02
INSURANCE:				
General Liability Insurance	1,348.21	1,348.21		1,348.21
Employee Group Health Insurance	523.45	2,071.51	2,045.82	25.69
PUBLIC SAFETY FUNCTIONS:				
Office of Emergency Management:				
Other Expenses	296.25	296.25		296.25
Municipal Court:				
Salaries and Wages	165.00	230.00	65.00	165.00
Other Expenses	214.61	2,542.61	2,328.00	214.61
Public Defender:				
Salaries and Wages	26.00	26.00		26.00

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Appropriation Reserves  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Balance After Transfer and Encumbrance	Paid or Charged	Balance Lapsed
OPERATIONS - WITHIN "CAPS"				
PUBLIC WORKS FUNCTIONS:				
Streets and Roads Maintenance:				
Salaries and Wages	\$ 2,871.75	\$ 5,183.56	\$ 2,311.81	\$ 2,871.75
Other Expenses	4,979.90	25,648.62	20,668.72	4,979.90
Solid Waste Collection:				
Salaries and Wages	253.55	300.65	47.10	253.55
Other Expenses	570.42	570.42		570.42
Vehicle Maintenance:				
Other Expenses	3,456.81	20,485.60	18,605.64	1,879.96
Buildings and Grounds:				
Other Expenses	103.77	7,322.27	5,809.94	1,512.33
HUMAN SERVICES:				
Public Health Services:				
Salaries and Wages	516.39	711.90	195.51	516.39
Other Expenses	3,758.97	6,628.97	3,445.00	3,183.97
Environmental Health Services:				
Salaries and Wages	241.25	241.25		241.25
Other Expenses	394.98	394.98		394.98
Welfare/Admin of Public Assistance:				
Other Expenses	431.21	431.21		431.21
RECREATION AND EDUCATION:				
Recreation Services & Programs:				
Salaries and Wages	58.63	107.67	49.04	58.63
Other Expenses	340.69	924.76	884.07	40.69
UNIFORM CONSTRUCTION CODE				
Approp Offset by Ded Revs (NJAC 5:23-4.17):				
Uniform Construction Code Enforcement Function:				
Salaries and Wages	2,467.66	1,645.41	660.75	984.66
Other Expenses	1,230.26	2,807.89	1,622.07	1,185.82
UTILITY EXPENSES AND BULK PURCHASES:				
Electricity	68.03	2,038.80	1,970.77	68.03
Street Lighting	489.56	489.56		489.56
Telephone	592.51	990.56	398.05	592.51
Fuel Oil	295.70	1,337.34	1,041.64	295.70
Gasoline	1,083.62	1,680.14	596.52	1,083.62

Township of East Amwell  
 County of Hunterdon  
 Current Fund  
 Schedule of Appropriation Reserves  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Balance After Transfer and Encumbrance	Paid or Charged	Balance Lapsed
OPERATIONS - WITHIN "CAPS"				
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	\$ 8.08	\$ 8.08	\$	\$ 8.08
OPERATIONS - EXCLUDED FROM "CAPS"				
Recycling Enhancement Act (P.L. 2007 C311)	0.08	0.08		0.08
Public Health Services:				
Salaries and Wages	90.47	90.47		90.47
Other Expenses	389.55	780.30	780.30	
Gypsy Moth Control				
Other Expenses	0.38	0.38		0.38
	<u>\$ 56,253.76</u>	<u>\$ 134,372.37</u>	<u>\$ 94,346.71</u>	<u>\$ 40,025.66</u>
Appropriation Reserves		\$ 56,253.76		
Reserve for Encumbrances		<u>78,118.61</u>		
		<u>\$ 134,372.37</u>		

**Township of East Amwell**  
**County of Hunterdon**  
**Current Fund**  
**Schedule of Local District School Tax**  
**Year Ended December 31, 2009**

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Balance, December 31, 2008:		
School Tax Payable	\$ 1,775,844.69	
School Tax Deferred	<u>748,177.50</u>	
		\$ 2,524,022.19
Increased by:		
Levy - School Year July 1, 2009 to June 30, 2010		<u>6,322,072.00</u>
		8,846,094.19
Decreased by:		
Payments		<u>6,220,669.10</u>
Balance, December 31, 2009		
School Tax Payable	1,877,247.59	
School Tax Deferred	<u>748,177.50</u>	
		<u>\$ 2,625,425.09</u>

See Independent Auditors' Report.

**Township of East Amwell**  
**County of Hunterdon**  
**Current Fund**  
**Schedule of Regional High School Tax**  
**Year Ended December 31, 2009**

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Balance, December 31, 2008:		
School Tax Payable	\$ 1,122,195.66	
School Tax Deferred	<u>599,893.26</u>	
		\$ 1,722,088.92
Increased by:		
Levy - School Year July 1, 2009 to June 30, 2010		<u>3,681,970.71</u>
		5,404,059.63
Decreased by:		
Payments		<u>3,563,074.29</u>
Balance, December 31, 2009:		
School Tax Payable	1,241,092.08	
School Tax Deferred	<u>599,893.26</u>	
		<u>\$ 1,840,985.34</u>

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 Federal and State Grant Fund  
 Schedule of Federal and State Grants Receivable  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Revenue	Received	Balance December 31, 2009
<b>Grant</b>				
Clean Communities Program	\$	\$ 11,807.70	\$ 11,807.70	\$
Recycling Tonnage Grant		2,612.72	2,612.72	
2008 Municipal Stormwater Regulation Program	11,057.20		11,057.20	
ANJEC Grant	1,400.00		1,400.00	
	<u>\$ 12,457.20</u>	<u>\$ 14,420.42</u>	<u>\$ 26,877.62</u>	<u>\$</u>

Township of East Amwell  
 County of Hunterdon  
 Federal and State Grant Fund  
 Schedule of Appropriated Reserves  
 Year Ended December 31, 2009

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	Balance December 31, 2008	Transferred from 2009 Budget Appropriations	Paid or Charged	Balance December 31, 2009
<b>Grant</b>				
2009 Clean Communities Program	\$	\$ 11,807.70	\$ 7,119.05	\$ 4,688.65
2008 Clean Communities Program	1,047.24		1,047.24	
County of Hunterdon-Cultural & Heritage Commission-Special Projects Grant "Old Ringoes":				
State Share	500.00			500.00
Local Share	1,500.00		1,338.00	162.00
2009 Recycling Tonnage Grant		2,612.72		2,612.72
2008 Recycling Tonnage Grant	941.15		941.15	
SNJDEP Municipal Stormwater Regulation Program	11,057.20		11,057.20	
State and Local All Hazards Emergency Operating Planning Program	2,405.72		1,274.20	1,131.52
Hunterdon County Cultural and Heritage Commission-Special Projects Grant	2,000.00			2,000.00
SNJEDA-Hazardous Discharge Site Remediation Fund-Public Entity Grant Program #P19484	181,622.50		98,513.95	83,108.55
ANJEC Grant:				
State Share	700.00			700.00
Local Share	1,192.02		742.50	449.52
	<u>\$ 202,965.83</u>	<u>\$ 14,420.42</u>	<u>\$ 122,033.29</u>	<u>\$ 95,352.96</u>

See Independent Auditors' Report.

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Trust Fund**

**Township of East Amwell  
County of Hunterdon  
Trust Fund  
Schedule of Cash - Treasurer  
Year Ended December 31, 2009**

	B-1		
	Animal Control Fund	Other Trust Funds	Open Space Trust Fund Fund
Balance, December 31, 2008	\$ 5,070.11	\$ 251,927.65	\$ 941,956.78
Increased by Receipts:			
Dog License Fees	11,144.00		
Due to State of NJ	1,887.00		
Dog Late Fees	2,975.00		
Due to Dog Owners - License Overpayments	24.00		
Trust Fund Reserves		146,059.71	
Reserve for Open Space - 2009 Levy			316,135.00
Reserve for Open Space - 2008 Added and Omitted Taxes			1,363.73
County of Hunterdon - Open Space Municipal Grants Program			38,497.77
Reserve for Open Space - Interest Earned			18,664.89
Reserve for Open Space - County Reimbursement			9,543.50
Reserve for Open Space - Other Receipt			1,906.05
Contra Item	36.75		
Due Current Fund - Interest Earned	281.01	960.96	
	<u>16,347.76</u>	<u>147,020.67</u>	<u>386,110.94</u>
	<u>21,417.87</u>	<u>398,948.32</u>	<u>1,328,067.72</u>
Decreased by Disbursements:			
Expenditures Under RS 4:19-15.11	11,931.39		
Due to State of NJ	1,887.00		
Due to Dog Owner-License Overpayments	24.00		
Trust Fund Reserves		77,469.73	
Due to General Capital Fund			260,000.00
Due to Current Fund-Interest Earned	281.01	912.23	
Due to Current Fund-Settlement of Interfund		191.05	
Contra Item	36.75		
Reserve for Open Space:			
Maintenance of Lands for Recreation and Conservation			18,492.15
	<u>14,160.15</u>	<u>78,573.01</u>	<u>278,492.15</u>
Balance, December 31, 2009	<u>\$ 7,257.72</u>	<u>\$ 320,375.31</u>	<u>\$ 1,049,575.57</u>

See Independent Auditors' Report.

**Township of East Amwell**  
**County of Hunterdon**  
**Trust Fund**  
**Schedule of Cash - Collector**  
**Year Ended December 31, 2009**

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B-2

Balance, December 31, 2008		\$	
Increased by:			
Deposits for Redemption of Tax Sale Certificates	\$ 14,054.90		
Due to Current Fund-Interest Earned	13.23		
	<u>                    </u>		14,068.13
Decreased by:			
Deposits for Redemption of Tax Sale Certificates	14,054.90		
Due to Current Fund-Interest Earned	13.23		
	<u>                    </u>		<u>14,068.13</u>
Balance, December 31, 2009		\$	<u><u>                    </u></u>

**Township of East Amwell  
 County of Hunterdon  
 Animal Trust Fund  
 Schedule of Reserve for Animal Control Fund Expenditures  
 Year Ended December 31, 2009**

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**B-3**

Balance, December 31, 2008		\$	5,085.11
Increased by:			
Cash Receipts:			
Dog Late Fees Collected	\$	2,975.00	
Dog License Fees Collected		11,144.00	14,119.00
			<u>19,204.11</u>
Decreased by:			
Expenditures Per RS 4:19-15.11:			
Cash Disbursed			<u>11,931.39</u>
Balance, December 31, 2009		\$	<u><u>7,272.72</u></u>

**License Fees Collected**

<b>Year</b>	<b>Amount</b>
2007	\$ 9,499.60
2008	<u>14,538.20</u>
Maximum Allowed Reserve	<u><u>\$ 24,037.80</u></u>

**Township of East Amwell  
County of Hunterdon  
Other Trust Funds  
Schedule of Trust Fund Deposits and Reserves  
Year Ended December 31, 2009**

**B-4**

<u>Purpose</u>	<u>Balance December 31, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance December 31, 2009</u>
Escrow Deposits	\$ 106,989.20	\$ 126,235.61	\$ 47,762.41	\$ 185,462.40
Unemployment Compensation	9,618.84	4,665.41	3,187.02	11,097.23
Housing Trust	96,510.54	13,329.69	14,691.30	95,148.93
POAA	32.00			32.00
Marion Clawson Memorial Park	786.02			786.02
Deposits for Redemption of Tax Sale Certificates		14,054.90	14,054.90	
Premiums Received at Tax Sale	17,300.00		5,000.00	12,300.00
Public Defender		329.00	329.00	
Historic Preservation	500.00	1,500.00	1,500.00	500.00
Snow Removal	15,000.00			15,000.00
Living Waters Lutheran Church Donation	5,000.00		5,000.00	
	<u>\$ 251,736.60</u>	<u>\$ 160,114.61</u>	<u>\$ 91,524.63</u>	<u>\$ 320,326.58</u>
		Treasurer \$ 146,059.71	\$ 77,469.73	
		Collector 14,054.90	14,054.90	
		<u>\$ 160,114.61</u>	<u>\$ 91,524.63</u>	

See Independent Auditors' Report.

**Township of East Amwell**  
**County of Hunterdon**  
**Open Space Trust Fund**  
**Schedule of Reserve for Open Space**  
**Year Ended December 31, 2009**

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B-5

Balance, December 31, 2008		\$	943,320.51
Increased by:			
Cash Receipts:			
2009 Levy	\$	316,135.00	
Interest Earned		18,664.89	
County of Hunterdon:			
Open Space Municipal Grants Program - Year 2009		38,497.77	
County Reimbursements		9,543.50	
Other Receipts		1,906.05	
		<u>384,747.21</u>	
2009 Added and Omitted Taxes		<u>385.02</u>	
			<u>385,132.23</u>
			<u>1,328,452.74</u>
Decreased by:			
Cash Disbursed:			
Due to General Capital Fund - Ordinance # 09-09		260,000.00	
Maintenance of Land for Recreation and Conservation		18,492.15	
		<u>278,492.15</u>	
Balance, December 31, 2009		\$	<u>1,049,960.59</u>

**Township of East Amwell**

**County of Hunterdon**

**2009**

**General Capital Fund**

**Township of East Amwell  
County of Hunterdon  
General Capital Fund  
Schedule of Cash - Treasurer  
Year Ended December 31, 2009**

C-2

Balance, December 31, 2008		\$ 1,844,374.16
Increased by Receipts:		
Budget Appropriations:		
Capital Improvement Fund	\$ 100,000.00	
Interest Earned-Due Current Fund	43,812.60	
Due Current Fund - Interest on Bond Anticipation Notes	23,000.00	
Due from Open Space Trust Fund -Ordinance #09-09	260,000.00	
Bond Anticipation Notes	1,000,000.00	
SNJ DOT Grants Receivable:		
Spring Hall Road Improvement	90,000.00	
Road Improvement Back Brook Rd.	63,900.00	
Lindbergh Road	150,000.00	
	1,730,712.60	
		3,575,086.76
Decreased by Disbursements:		
Improvement Authorizations	772,700.51	
Reserve for Preliminary Expenses - Farmland Preservation and/or Open Space	9,710.25	
Reserve for Preliminary Expenses - Pedestrian Improvements for Village of Ringoes	3,594.50	
Reserve for Preliminary Expenses - Future Road Projects	9,713.50	
Anticipated Revenue - Reserve for Kanack Payment of Debt	50,000.00	
Due Current Fund - Interest on Bond Anticipation Notes	23,000.00	
Anticipated Revenue - Capital Fund Balance	18,100.00	
Bond Anticipation Notes	1,000,000.00	
Due Current Fund - Interest Earned	43,810.94	
Due Current Fund - Settle Interfund	166.93	
	1,930,796.63	
Balance, December 31, 2009		\$ 1,644,290.13

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Analysis of General Capital Cash  
 Year Ended December 31, 2009

C-3  
 -1-

ORD. #	Description	Balance December 31, 2008	Receipts		Disbursements		Balance December, 31 2009
			Budget Appropriation	Receipts Bond Anticipation Notes	Miscellaneous	Improvement Authoriza- tion	
	Capital Fund Balance	\$ 18,187.64					87.64
	Capital Improvement Fund	90,060.01	100,000.00			142,200.00	47,860.01
	Reserve for Preliminary Expenses:						
	Preservation Plan for Homestead at Clawson Park	4,555.00					4,555.00
	Farmland Preservation and/or Open Space	17,336.08				9,710.25	7,625.83
	Purchase of Tax Liens for Future Open Space Acquisition	5,000.00					5,000.00
	Future Road Projects	8,370.00				9,713.50	2,656.50
	Pedestrian Improvements for Village of Ringoes	619.90				3,594.50	1,405.50
	Reserve for Kanack (Harrison) - Payment of Debt	382,643.67				50,000.00	619.90
	Reserve for Kanack - Payment of Debt						332,643.67
	IMPROVEMENT AUTHORIZATIONS:						
	98-02 Various Capital Improvements	103,321.46					103,321.48
	01-22 Suppl. Approp. for Phase I of Marlon Clawson Memorial Park Development Project	16,464.80					16,494.80
	04-09 Funding of Phase 2 of the Marlon Clawson Memorial Park Development Project	0.46			0.46		
	05-11 Purchase, Installation and Set-Up of Emergency Communications Equipment and Electrical Upgrade to the Municipal Building	13,675.98					13,675.98
	05-12 Clawson Park Barn Replacement	42,305.68					42,305.68
	05-13 Clawson Park - Phase II	5,550.97			1,438.04		4,112.93
	05-14 Clawson Historic House Roof and Exterior Stabilization	5,839.09					5,839.09
	05-34 Acquisition of Development Rights Easements on Certain Real Property (B 27, L33.01 and B 27, L46 + 46.05)	87,783.95			75,366.20		12,417.75
	06-12 Township Share of the Cost of Easements Under the Farmland Program to be Undertaken Jointly with the County and the State	397,149.42		1,000,000.00	2,166.54	1,000,000.00	394,992.88

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Analysis of General Capital Cash  
 Year Ended December 31, 2009

C-3  
 -2-

	Balance December 31, 2008	Receipts		Disbursements		Transfers		Balance December 31 2009	
		Budget Appropriation	Receipts Bond Anticipation Notes	Miscellaneous	Improvement Authoriza- tion	Disbursements Bond Anticipation Notes	Miscel- laneous		From
06-18 2006 Phase of the Marion Clawson Memorial Park Development Project	\$ 26,761.91							\$ 26,761.91	
07-08 Purchase of Office Equipment and Office Furniture	3,167.94				3,167.94				
07-11 Purchase of a Tractor Mounted Roadside Mower	17,959.95								
07-13 Supplemental Appropriation for Barn Replacement at the Marion Clawson Memorial Park	15,000.00								
08-05 Supplemental Appropriation for Various Renovation Projects at the Municipal Building	5,539.36				1,613.00				
08-06 Acquisition of Development Rights Easements on Certain Real Properties Known as B17, L16.03 and B21, L16 & 16.01	219,952.75				201,058.60				
08-08 Twp. Funding Share of the Spring Hill Rd. Improvement Project	156,098.50				92,221.00				
08-13 Road Improvements to Back Brook Rd.	166,161.03				103,988.94				
08-14 Supplemental Appropriation for Twp. Funding Share of the Spring Hill Rd. Improvement Fund	35,000.00								
08-15 Various Municipal Bldg. Repairs and Improvements	42,793.80				22,385.10				
08-16 Leveling and Overlaying Portions of Various Twp. Roads	49,957.36								
08-17 Purchase of a 2009 Dump Truck with Plovers and Sander	139,958.26								
08-19 Supplemental Appropriations for the Twp. Funding Share of the Back Brook Improvement Fund	10,000.00								
08-20 Road Improvements to Lindbergh Rd.	274,982.24				162,707.34				
09-06 Purchase of Various Road Equipment					15,856.28				19,200.00
09-07 Purchase of Various Office Equipment					14,214.64				20,000.00
09-08 Reclamation and Paving Portions of Various Township Routes					74,406.93				95,000.00
09-09 Acquisition of Contribution to the Purchase of Real Property Known as B35-01, L37					2,109.50				260,000.00
Due from Open Space Trust Fund	166.93						260,000.00		
Due Current Fund									1.66
SNJDOT Grant Receivable:							66,977.87		
Spring Hill Road Improvement	(120,000.00)								(30,000.00)
Road Improvement Back Brook Road	(150,000.00)								(86,100.00)
Lindbergh Road	(250,980.00)								(100,000.00)
	\$ 1,644,374.16	\$ 100,000.00	\$ 1,000,000.00	\$ 630,712.60	\$ 772,700.51	\$ 1,000,000.00	\$ 402,200.00	\$ 402,200.00	\$ 1,644,290.13

**Township of East Amwell**  
**County of Hunterdon**  
**General Capital Fund**  
**Schedule of Deferred Charges to Future Taxation - Funded**  
**Year Ended December 31, 2009**

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**C-4**

Balance, December 31, 2008		\$ 5,642,366.20
Decreased by:		
2009 Budget Appropriation to Pay General Serial Bonds	\$ 300,000.00	
2009 Budget Appropriation to Pay SNJ Green Trust Loan	<u>25,720.60</u>	
		<u>325,720.60</u>
Balance, December 31, 2009		<u>\$ 5,316,645.60</u>

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of Deferred Charges to Future Taxation - Unfunded  
 Year Ended December 31, 2009

C-5

Ord. Number	Improvement Description	Balance December 31, 2008	SNJ Green Acres Grant	Authorizations Cancelled	Notes Paid By Budget Appropriation	Balance December 31, 2009	Analysis of Balances December 31, 2009		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
06-12	Township Share of the Cost of Easements Under the Farmland Program to be Undertaken Jointly with the County and the State	\$ 1,000,000.00	\$	\$	\$	\$ 1,000,000.00	\$ 1,000,000.00	\$	\$
		\$ 1,000,000.00	\$	\$	\$	\$ 1,000,000.00	\$ 1,000,000.00	\$	\$
								Improvement Authorization - Unfunded	\$ 394,982.88
								Less: Unexpended Proceeds of Bond Anticipation Notes	394,982.88
								Issued: Ordinance No.: 06-12	\$
									\$

**Township of East Amwell**  
**County of Hunterdon**  
**General Capital Fund**  
**Schedule of Capital Improvement Fund**  
**Year Ended December 31, 2009**

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C-6

Balance, December 31, 2008		\$	90,060.01
Increased by:			
2009 Budget Appropriation			<u>100,000.00</u>
			190,060.01
Decreased by:			
Direct Charges Made for Preliminary Costs-Future Road Projects	4,000.00		
Direct Charges Made for Preliminary Costs-Pedestrian			
Improvements for Village of Ringoes	5,000.00		
Appropriation to Finance Improvement Authorizations	<u>133,200.00</u>		
			<u>142,200.00</u>
Balance, December 31, 2009		\$	<u><u>47,860.01</u></u>

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of Improvement Authorizations  
 Year Ended December 31, 2009

C-7  
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Ord. Number	Improvement Description	Date Adopted	Amount	Balance December 31, 2008		2009 Authorizations		Balance December 31, 2009	
				Funded	Unfunded	Capital Improvement Fund	Open Space Trust Fund	Funded	Unfunded
98-02	Various Capital Improvements	2/12/98	\$ 577,525.00	\$ 103,321.48	\$	\$	\$	\$ 103,321.48	\$
01-22	Suppl Approp. For Phase I of Marion Clawson Memorial Park Development Project	10/25/01	350,000.00	18,494.80				18,494.80	
04-09	Funding of Phase 2 of the Marion Clawson Memorial Park Development Project	5/13/04	200,000.00	0.46			0.46		
05-11	Purchase, Installation and Set-Up of Emergency Communications Equipment and Electrical Upgrade to the Municipal Building	5/26/05	15,000.00	13,675.98				13,675.98	
05-12	Clawson Park Barn Replacement	5/26/05	45,000.00	42,305.68				42,305.68	
05-13	Clawson Park - Phase II	5/26/05	15,000.00	5,550.97			1,438.04	4,112.93	
05-14	Clawson Historic House Roof and Exterior Stabilization	5/26/05	25,000.00	5,839.09				5,839.09	
05-34	Acquisition of Development Rights Easements on Certain Real Property (B 27, L33.01 and B 27, L46 + 46.05)	12/27/05	150,000.00	87,783.95			75,366.20	12,417.75	
06-12	Township share of the Cost of Easements Under the Farmland Program to be Undertaken Jointly with the County and the State	6/8/06	1,050,000.00		397,149.42		2,166.54		394,982.88
06-18	2006 Phase of the Marion Clawson Memorial Park Development Project	6/22/06	65,000.00	26,761.91				26,761.91	
07-08	Purchase of Office Equipment and Office Furniture	6/14/07	13,500.00	3,167.94			3,167.94		
07-11	Purchase of a Tractor Mounted Roadside Mower	7/19/07	18,000.00	17,959.95				17,959.95	
07-13	Supplemental Appropriation for Barn Replacement at the Marion Clawson Memorial Park	7/19/07	15,000.00	15,000.00				15,000.00	
08-05	Supplemental Appropriation for Various Renovation Projects at the Municipal Building	5/8/08	36,000.00	5,539.36			1,613.00	3,926.36	
08-06	Acquisition of Development Rights Easements on Certain Real Properties Known as B17, L16.03 and B21, L 16 & 16.01	5/8/08	220,000.00	219,952.75			201,058.60	18,894.15	

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of Improvement Authorizations  
 Year Ended December 31, 2009

C-7  
 -2-

Ord. Number	Improvement Description	Date Adopted	Amount	Balance December 31, 2008		2009 Authorizations			Balance December 31, 2009		
				Funded	Unfunded	Capital Improvement Fund	Open Space Trust Fund	Paid or Charged	Funded	Unfunded	
				\$	\$	\$	\$	\$	\$	\$	
08-08	Township Funding Share of the Spring Hill Rd. Improvement Project	7/17/08	165,000.00	\$	156,088.50	\$	\$	92,221.00	\$	63,877.50	\$
08-13	Road Improvements to Back Brook Rd.	7/17/08	175,000.00		166,161.03			103,988.94		62,172.09	
08-14	Supplemental Appropriation for Township Funding Share of the Spring Hill Rd. Improvement Project	9/11/08	35,000.00		35,000.00					35,000.00	
08-15	Various Municipal Building Repairs and Improvements	10/9/08	66,000.00		42,793.80			22,385.10		20,408.70	
08-16	Leveling and Overlaying Portions of Various Twp. Rds.	10/9/08	50,000.00		49,957.36					49,957.36	
08-17	Purchase of a 2009 Dump Truck with Plows and Sander	10/9/08	140,000.00		139,958.26					139,958.26	
08-19	Supplemental Appropriations for the Twp. Funding Share of the Back Brook Rd. Improvement Project	12/30/08	10,000.00		10,000.00					10,000.00	
08-20	Road Improvements to Lindbergh Rd.	12/30/08	275,000.00		274,962.24			162,707.34		112,254.90	
09-06	Purchase of Various Road Equipment	4/23/09	18,200.00			18,200.00		15,866.28		2,343.72	
09-07	Purchase of Various Office Equipment	4/23/09	20,000.00			20,000.00		14,214.64		5,785.36	
09-08	Reclamation and Paving Portions of Various Township Roads	4/23/09	95,000.00			95,000.00		74,406.93		20,593.07	
09-09	Acquisition or Contribution to the Purchase of Real Property B33.01, L37	6/25/09	260,000.00			260,000.00		2,109.50		257,890.50	
					\$ 1,440,285.51		\$ 397,149.42	\$ 772,700.51		\$ 1,062,951.54	
							\$ 260,000.00				
							\$ 133,200.00				
							\$ 260,000.00				
							\$ 1,062,951.54				
							\$ 394,982.88				

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of NJ Green Trust Loan Payable  
 Year Ended December 31, 2009

C-8

Purpose	Date of Issue	Original Issue	Maturities of Principal Outstanding		Interest Rate	%	Balance December 31, 2008	Decreased	Balance December 31, 2009
			Date	Amount					
Marion F. Clawson Park	1/27/07	\$ 500,000.00	1/27/10	\$ 13,053.53	2.00				
			7/27/10	13,184.07					
			1/27/11	13,315.90					
			7/27/11	13,449.07					
			1/27/12	13,583.55					
			7/27/12	13,719.39					
			1/27/13	13,856.58					
			7/27/13	13,995.15					
			1/27/14	14,135.10					
			7/27/14	14,276.46					
			1/27/15	14,419.21					
			7/27/15	14,563.41					
			1/27/16	14,709.04					
			7/27/16	14,856.14					
			1/27/17	15,004.69					
			7/27/17	15,154.74					
			1/27/18	15,306.29					
			7/27/18	15,459.35					
			1/27/19	15,613.95					
			7/27/19	15,770.09					
			1/27/20	15,927.78					
			7/27/20	16,087.06					
			1/27/21	16,247.94					
			7/27/21	16,410.41					
			1/27/22	16,574.52					
			7/27/22	16,740.26					
			1/27/23	16,907.67					
			7/27/23	17,076.74					
			1/27/24	17,247.51					
							\$ 462,366.20	\$ 436,645.60	
							\$ 25,720.60	\$	

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of Bond Anticipation Notes  
 Year Ended December 31, 2009

C-9

Ord. Number	Purpose	Date of Issue of Original Note	Date of Maturity	Interest Rate	Balance December 31, 2008	Increase	Decrease	Balance December 31, 2009
06-12	Township Share of the Cost of Easements Under the Fairland Program to be Undertaken Jointly with the County and State	5/22/07	5/22/09 5/21/10	2.30% 1.69%	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
					<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>
					Cash Received	\$ 1,000,000.00	\$	
					Cash Disbursed		1,000,000.00	
					<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>

Township of East Amwell  
 County of Hunterdon  
 General Capital Fund  
 Schedule of General Serial Bonds Payable  
 Year Ended December 31, 2009

C-10

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding	Interest Rate	Balance December 31, 2008	Increase	Decrease	Balance December 31, 2009
General Improvements of 1998	3/1/98	\$ 1,600,000	3/1/10	\$ 80,000	5.00			
			3/1/11-12	95,000	5.00			
			3/1/13-14	105,000	5.00			
			3/1/15	105,000	5.05			
			3/1/16	110,000	5.05			
			3/1/17-18	110,000	5.10	\$ 80,000.00	\$ 80,000.00	\$ 915,000.00
General Improvement of 2001	2/1/01	2,500,000	2/1/10	100,000	4.70			
			2/1/11	110,000	4.70			
			2/1/12-13	125,000	4.70			
			2/1/14-15	150,000	4.70			
			2/1/16-17	165,000	4.70			
			2/1/18	165,000	4.70			
			2/1/19-21	170,000	4.75	1,865,000.00	100,000.00	1,765,000.00
General Improvement of 2003	2/15/03	2,820,000	2/15/10-12	120,000	3.80			
			2/15/13-15	135,000	3.80			
			2/15/16	155,000	3.90			
			2/15/17	155,000	4.00			
			2/15/18	155,000	4.05			
			2/15/19	180,000	4.10			
			2/15/20	190,000	4.20			
			2/15/21	200,000	4.25			
			2/15/22	200,000	4.30			
			2/15/23	200,000	4.40			
				2,320,000.00		120,000.00	2,200,000.00	
				\$ 5,180,000.00	\$	\$ 300,000.00	\$ 4,880,000.00	

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Public Assistance Fund**

Township of East Amwell  
 County of Hunterdon  
 Public Assistance Fund  
 Schedule of Cash - Treasurer  
 Year Ended December 31, 2009

D-1			
Reference	P.A.T.F. Account #1	P.A.T.F. Account #2	Fund Total
Balance, December 31, 2008	D	\$ 14,328.57	\$ 14,328.57
Increased By Receipts:			
State Aid		30,800.00	30,800.00
SSI		5,122.29	5,122.29
Interest Earned		169.75	169.75
		<u>36,092.04</u>	<u>36,092.04</u>
		<u>50,420.61</u>	<u>50,420.61</u>
Decreased by:			
Public Assistance - 2009		37,804.03	37,804.03
		<u>37,804.03</u>	<u>37,804.03</u>
Balance, December 31, 2009	D	<u>\$ 12,616.58</u>	<u>\$ 12,616.58</u>

Township of East Amwell  
 County of Hunterdon  
 Public Assistance Fund  
 Schedule of Public Assistance Cash and Reconciliation  
 Year Ended December 31, 2009

D-2

Balance, December 31, 2008		\$ 14,328.57
Increased by Receipts:		
State Aid	\$ 30,800.00	
SSI	5,122.29	
Interest Earned	<u>169.75</u>	
		<u>36,092.04</u>
		50,420.61
Decreased by Disbursements:		
Public Assistance Expenditures		<u>37,804.03</u>
Balance, December 31, 2009		<u>\$ 12,616.58</u>

Reconciliation, December 31, 2009

	<u>P.A.T.F. Account #1</u>	<u>P.A.T.F. Account #2</u>	<u>Total</u>
Balance on Deposit per Statement of TD Bank Checking	\$	\$ 13,653.58	\$ 13,653.58
Less: Outstanding Checks		<u>1,037.00</u>	<u>1,037.00</u>
	<u>\$</u>	<u>\$ 12,616.58</u>	<u>\$ 12,616.58</u>

Township of East Amwell  
 County of Hunterdon  
 Public Assistance Fund  
 Schedule of Public Assistance Revenues  
 Year Ended December 31, 2009

D-3

	P.A.T.F. Account #1 (75%)	P.A.T.F. Account #2 (100%)	Fund Total
State Aid	\$	\$ 30,800.00	\$ 30,800.00
SSI		5,122.29	\$ 5,122.29
Interest Income		169.75	169.75
Total Revenues (P.A.T.F.)		<u>36,092.04</u>	<u>36,092.04</u>
	<u>\$</u>	<u>\$ 36,092.04</u>	<u>\$ 36,092.04</u>

Public Assistance Fund  
 Schedule of Public Assistance Expenditures  
 Year Ended December 31, 2009

D-4

	P.A.T.F. Account #1 (75%)	P.A.T.F. Account #2 (100%)	Fund Total
Current Year Assistance:			
Assistance Reported:			
Maintenance		\$ 7,729.00	\$ 7,729.00
Transportation		387.70	387.70
Temporary Rental Assistance		21,219.42	21,219.42
Emergency Assistance - Shelter/Housing		8,350.00	8,350.00
Emergency Assistance - Utilities		61.91	61.91
Work Related Expenses		56.00	56.00
Total Expenditures (P.A.T.F.)	<u>\$</u>	<u>\$ 37,804.03</u>	<u>\$ 37,804.03</u>

Public Assistance Fund  
 Schedule of Assistance Commitments Payable  
 Year Ended December 31, 2009

D-5

Not Applicable

**Township of East Amwell**

**County of Hunterdon**

**2009**

**Payroll Fund**

**Township of East Amwell**  
**County of Hunterdon**  
**Payroll Fund**  
**Schedule of Payroll Cash**  
**Year Ended December 31, 2009**

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E-1

Balance, December 31, 2008		\$	2,946.22
Increased by:			
Payroll Taxes and Benefits Payable	\$	230,636.06	
Budget Appropriation-PERS		19,697.50	
Net Payroll		488,651.39	
Due to Current Fund - Interest Earned		<u>133.51</u>	
			<u>739,118.46</u>
			<u>742,064.68</u>
Decreased by:			
Payroll Taxes and Benefits Payable		230,729.72	
Budget Appropriation-PERS		19,697.50	
Net Payroll		488,651.39	
Due to Current Fund - Interest Earned		<u>133.51</u>	
			<u>739,212.12</u>
Balance, December 31, 2009		\$	<u><u>2,852.56</u></u>

See Independent Auditors' Report.

Township of East Amwell  
 County of Hunterdon  
 Payroll Fund  
 Schedule of Payroll Taxes Payable  
 Year Ended December 31, 2009

E-2

Account	Balance December 31, 2008	Cash Receipts	Cash Disbursements	Balance December 31, 2009
Federal Income Tax	\$	\$ 48,337.13	\$ 48,337.13	\$
FICA and Medicare		102,639.84	102,639.84	
NJ GIT		17,068.57	17,068.57	
PERS	2,711.53	31,792.30	31,926.68	2,577.15
PERS Insurance	234.69	2,715.54	2,744.82	205.41
Unemployment and Disability		1,430.71	1,430.71	
Dental Insurance		4,031.97	4,031.97	
459 Plan		22,620.00	22,550.00	70.00
	<u>\$ 2,946.22</u>	<u>\$ 230,636.06</u>	<u>\$ 230,729.72</u>	<u>\$ 2,852.56</u>

See Independent Auditors' Report.

**Other Supplemental Information-Regulatory Basis**

**Township of East Amwell**  
**County of Hunterdon**  
**Comparative Statement of Operations and Change in Fund Balance-Current Fund**  
**Years Ended December 31, 2009 and 2008**

	2009		2008	
	Amount	%	Amount	%
<b>Revenue and Other Income Realized</b>				
Fund Balance Utilized	\$ 375,000.00	2.35 %	\$ 485,000.00	2.87 %
Miscellaneous - From Other Than Local Property				
Tax Levies	1,158,413.66	7.25	2,350,020.51	13.92
Collection of Delinquent Taxes	240,265.29	1.50	174,705.10	1.04
Collection of Current Tax Levy	14,207,423.30	88.90	13,860,767.79	82.11
Interfund Loans Returned			10,237.36	0.06
	<u>15,981,102.25</u>	<u>100.00 %</u>	<u>16,880,730.76</u>	<u>100.00 %</u>
<b>Expenditures</b>				
Budget Expenditures - Municipal Purposes	2,467,433.66	15.65 %	3,708,612.59	22.28 %
Municipal Open Space Tax	316,520.02	2.01	318,053.73	1.91
Fire District Tax	184,424.00	1.17	190,597.00	1.15
County Taxes	2,783,654.87	17.66	2,826,804.89	16.99
Local and Regional School Taxes	10,004,042.71	63.45	9,593,507.83	57.64
Other Expenditures	9,051.82	0.06	4,845.64	0.03
	<u>15,765,127.08</u>	<u>100.00 %</u>	<u>16,642,421.68</u>	<u>100.00 %</u>
Excess in Revenues	215,975.17		238,309.08	
<b>Fund Balance</b>				
Balance, January 1	<u>539,859.61</u>		<u>786,550.53</u>	
	755,834.78		1,024,859.61	
Less: Utilization as Anticipated Revenue	<u>375,000.00</u>		<u>485,000.00</u>	
Balance, December 31	<u>\$ 380,834.78</u>		<u>\$ 539,859.61</u>	

**Township of East Amwell  
County of Hunterdon  
Other Supplemental information  
Years Ended December 31, 2009, 2008 and 2007**

**Comparative Schedule of Tax Rate Information**

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	1.842	1.773	1.784
Apportionment of Tax Rate:			
Municipal	0.149	0.140	0.140
Municipal Open Space	0.040	0.040	0.040
Fire District #1 Tax	0.025	0.025	0.024
County	0.298	0.298	0.302
County Library	0.026	0.026	0.028
County Open Space	0.032	0.033	0.034
Local School	0.804	0.776	0.757
Regional High School	0.468	0.435	0.459
Assessed Valuation:			
2009	<u>\$ 785,830,790.00</u>		
2008		<u>\$ 791,724,997.00</u>	
2007			<u>\$ 786,307,681.00</u>

**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 and increased collections could have the opposite effect.

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collection</u>	
2009	\$ 14,486,633.03	\$ 14,207,423.30	98.1	%
2008	14,098,240.47	13,860,767.79	98.3	%
2007	14,156,590.04	13,960,491.78	98.6	%

**Delinquent Taxes and Tax Title Liens**

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

<u>December 31,</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>	
2009	\$ 4,493.09	\$ 257,212.07	\$ 261,705.16	1.81	%
2008	4,373.43	240,265.29	244,638.72	1.74	%
2007	4,258.18	186,156.32	190,414.50	1.34	%

**Property Acquired by Tax Title Lien Liquidation**

<u>Year</u>	<u>Amount</u>
2009	\$ 22,300.00
2008	22,300.00
2007	22,300.00

No properties have been acquired in 2007 by foreclosure or deed, as a result of liquidation of tax title liens.

**Comparative Schedule of Fund Balance (Current Fund)**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>
2009	\$ 380,834.78	\$ 230,300.00
2008	539,859.61	375,000.00
2007	786,550.53	485,000.00
2006	772,119.86	485,000.00
2005	783,912.24	496,000.00

See Independent Auditors' Report.

**Township of East Amwell  
County of Hunterdon  
Officials in Office and Surety Bonds  
Year Ended December 31, 2009**

<u>Name</u>	<u>Title</u>	<u>Note</u>	<u>Corporate Surety</u>
Peter Kneski	Mayor		
Linda F. Lenox	Deputy Mayor		
C. Larry Tatsch	Committee Member		
Timothy Martin	Committee Member		
Patricia Cregar	Committee Member		
Timothy Matheny	Township Administrator		
Teresa Stahl	Clerk, Officer for Assessment of Municipal Improvements, Registrar of Vital Statistics	2	
Darlis Maksymovich	Board of Health Secretary and Construction Secretary, both through July 31, 2009	2	
Carolyn Fritsch	Board of Health Secretary from August 1, 2009, Deputy Municipal Clerk	2	
Pamela Dymek	Construction Secretary from August 1, 2009, Office Assistant, Deputy Registrar, Assistant Tax Collector, Road Department Secretary	2	
Maria Andrews	Planning Board Administrator		
Maria Andrews	Assistant Treasurer, Zoning Secretary, Board of Adjustment Administrator	2	
Jane Luhrs	Chief Financial Officer, Treasurer	1	\$ 1,000,000.00
Mary Hyland	Tax Collector, Tax Search Officer	1	\$ 1,000,000.00
Marianne Busher	Tax Assessor		
Richard Cushing	Attorney		
John Petronko, Jr.	Magistrate	2	
Cindy Hooven	Court Administrator	2	
Dennis O'Neal	Engineer		
Helen Kuhl	Welfare Director	2	
Stewart Doddy	Construction and Building Sub-Code Official, Building and Plumbing Inspector	2	
Richard McManus	Zoning Officer	2	
Peter Buchanan	Electrical Inspector	2	
Pete Ball	Fire Subcode and Fire Inspector	2	

NOTES: 1. Municipal Excess Liability Joint Insurance Fund  
2. Other employees covered by Public Alliance Insurance Coverage Fund under public officials liability coverage.

## Comments Section

**Township of East Amwell**  
**County of Hunterdon**  
**Comments**  
**December 31, 2009**

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An audit of the financial accounts and transactions of the Township of East Amwell, County of Hunterdon, New Jersey ("Township") for the year ended December 31, 2009, has recently been completed. The results of the audit are herewith set forth

**Scope of Audit**

The audit covered the financial transactions of the Tax Collector, Treasurer, the activities of the Township Committee and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

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

Revenues and receipts were verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with generally accepted auditing standards and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and Government Auditing Standards, issued by the Comptroller General of the United States. Therefore, our audit included the procedures noted above as well as tests of the accounting records and other such auditing procedures as are considered necessary in the circumstances.

**Contacts and Agreements Required to be Advertised per N.J.S. 40A:11-4**

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the 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 term of Section 3 of this Act, shall be made or awarded only after public advertising of 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 and \$21,000.00 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 \$21,000.00 within the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion shall be sought before a commitment is made.

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

Back Brook Road and Lindbergh Road Improvements  
Road Maintenance and Repair Materials  
Road Reclamation and Paving Project

The system of records did not provide for an accumulation of payments by categories of materials or supplies, or related work or labor. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$21,000 "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles", other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

See Independent Auditor's Report.

**Township of East Amwell  
County of Hunterdon  
Comments  
December 31, 2009**

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**Collection of Interest on Delinquent Taxes and Assessments**

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

The governing body on January 4, 2009 adopted the following resolution authorizing interest to be charged on delinquent taxes:

1. BE IT RESOLVED that taxes shall be collected quarterly on February 1, 2009; May 1, 2009; August 1, 2009 and November 1, 2009 and that interest will be charged at the rate of 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 to be calculated from the date the tax was payable until the date of actual payment. There will be a ten day grace period after which unpaid taxes will then be charged interest from the due date.
2. NOW, THEREFORE, BE IT RESOLVED by the Mayor and Committee of the Township of East Amwell that the penalty authorized by P.L. 1991, c. 75, be fixed in the amount of six percent (6%) of all taxes due on any delinquency greater than \$10,000.00 which remains unpaid at the close of each calendar year. The Tax Collector is authorized to calculate the amount of any such penalty and to add the amount of the penalty to the other municipal charges and liens owing as to any given parcel at the end of the calendar year.

**Tax Sale**

The last tax sale was held on October 22, 2009 and was complete.

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

<b>Year</b>	<b>Number of Liens</b>
2009	2
2008	2
2007	2

**Township of East Amwell  
County of Hunterdon  
Schedule of Findings and Recommendations  
December 31, 2009**

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**Schedule of Financial Statement Findings**

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

**Significant Deficiencies and Other Matters**

None

**Township of East Amwell  
County of Hunterdon  
Schedule of Findings and Recommendations  
December 31, 2009**

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**Schedule of Prior Year Financial Statement Findings**

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

**Significant Deficiencies and Other Matters**

None