BOROUGH OF COLLINGSWOOD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2001

INDEX

INDEX
(Continued)

INDEX
(Continued)

INDEX
(Continued)

PART I

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Board of Commissioners
Borough of Collingswood
County of Camden, New Jersey

We have audited the accompanying balance sheets – statutory basis of the various funds and account groups of the Borough of Collingswood as of December 31, 2001, and 2000, the related statements of operations and changes in fund balance – statutory basis for the years then ended and the related statements of revenues – statutory basis, and statement of expenditures – statutory basis of the various funds, as listed in the table of contents, for the year ended December 31, 2001. These financial statements are the responsibility of the Borough of Collingswood's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in Note 1, the Borough of Collingswood prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, because of the effects of preparing its financial statements on the basis of accounting 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 Borough of Collingswood as of December 31, 2001, or the results of its operations for the year then ended.

The financial statements referred to above do not include the general fixed asset account group, which should be included in order to conform with accounting principles generally accepted in the United States of America. The amount that should be recorded in the general fixed assets account group is not known.

In our opinion, except for the effects on the financial statements of the omission described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position – statutory basis of the various funds and account groups of the Borough of Collingswood as of December 31, 2001 and 2000, and the results of operations and changes in fund balance – statutory basis of such funds for the years then ended and the statement of revenues – statutory basis and statement of expenditures – statutory basis of the various funds for the year ended December 31, 2001 on a modified accrual basis of accounting described in Note 1, which differs from accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2002 on our consideration of the Borough of Collingswood's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Borough of Collingswood taken as a whole. The accompanying supplemental schedules and information presented in the "Supplementary Data", "General Comments" and "Findings and Recommendations" sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Collingswood. The accompanying schedules of federal and state awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and New Jersey Treasury Circular Letter 98-07 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and are not a required part of the financial statements of the Borough of Collingswood. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

PETRONI & ASSOCIATES

Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant # 252

June 19, 2002

<u>REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*</u>

Honorable Mayor and Members
of the Borough Council
Borough of Collingswood
County of Camden, New Jersey

We have audited the financial statements of the Borough of Collingswood as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 19, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

<u>Compliance</u>

As part of obtaining reasonable assurance about whether the Borough of Collingswood's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as item 01-1, 01-2 and 01-3.

<u>Internal Control over Financial Reporting</u>

In planning and performing our audit, we considered the Borough of Collingswood's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Borough of Collingswood's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 01-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 01-5 and 01-6 to be a material weakness.

This report is intended solely for the information and use of the governing body, management, state awarding agencies and pass-through entities and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES

Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant # 252

June 19, 2002

CURRENT FUND

COMPARATIVE BALANCE SHEET - CURRENT FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Regular Fund			
Cash - Treasurer	A-4	2,715,414.88	1,911,637.30
Petty Cash		350.00	600.00
Change Fund	A-6	275.00	275.00
		2,716,039.88	1,912,512.30
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	232,504.71	371,004.65
Tax Title Liens Receivable	A-9	76,771.53	148,441.44
Property Acquired for Taxes - Assessed Valuation	A-10	175,700.00	175,800.00
Clean-up Charges Receivable		451.29	
Revenue Accounts Receivable	A-11	16,710.91	15,258.42
Due from Trust - Other	B	3,215.76	77,924.29
Due from General Capital Fund	C	79,929.22	181,489.62
Due from Special Improvement District		15,567.50	11,640.22
Due from Animal Control Trust	B	34.49	
Due from Payroll Account	G	1,158.23	
Due from Federal and State Grant Fund	A	499,499.88	288,932.20
Prepaid Local School Taxes	A-17	151,834.50	
Prepaid Special Improvement District Taxes		9,674.56	
		1,263,052.58	1,270,490.84
Deferred Charges:			
Emergency Authorization	A-12	18,500.00	
Expenditure Without Appropriation	A-12	133,312.64	
Special Emergency Authorization (40A:4-48)	A-13	68,000.00	136,000.00
		219,812.64	136,000.00
		4,198,905.10	3,319,003.14
Federal and State Grant Fund			
Grants Receivable	A-7	897,463.67	502,392.44
Overexpenditure of a Grant	A-18	5,554.29	
		903,017.96	502,392.44
		5,101,923.06	3,821,395.58

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A
(Continued)

COMPARATIVE BALANCE SHEET - CURRENT FUND

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Regular Fund			
Liabilities:			
Appropriation Reserves	A-3:A-14	273,580.09	566,252.94
Encumbrances Payable	A-15	83,056.42	37,323.83
Reserve for Maintenance of Free Public Library		25,026.97	25,063.23
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-16	31,881.39	7,863.45
Due State of New Jersey - Marriage License Fees		500.00	550.00
Prepaid Taxes		75,923.12	50,009.92
Tax Overpayments		30,606.54	19,853.20
Reserves for:			
Master Plan			16,107.34
Revaluation			29,640.00
Tax Maps			1,122.60
Legislative Municipal Block Grant			1,632.00
B.I.D. Donation		128,000.00	
Due to CCMUA		116,253.05	
Unallocated Tax Receipts			9,438.22
Due Public Assistance Trust Fund			25.13
Due Payroll Account			263.46
Due County for Added and Omitted Taxes		3,970.55	2,115.72
		768,798.13	767,261.04
Reserve for Receivables		1,263,052.58	1,270,490.84
Fund Balance	A-1	2,167,054.39	1,281,251.26
		4,198,905.10	3,319,003.14
Federal and State Grant Fund			
Reserve for Grants - Appropriated	A-18	319,819.41	201,268.21
Reserve for Grants - Unappropriated	A-19	7,869.01	3,645.22
Encumbrances Payable	A-15	75,829.66	8,546.81
Due Current Fund	A	499,499.88	288,932.20
		903,017.96	502,392.44
		5,101,923.06	3,821,395.58

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-1

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

Revenue and Other Income Realized	Ref.	Year 2001	Year 2000
Fund Balance Utilized	A-2	889,229.90	1,048,374.58
Miscellaneous Revenue Anticipated	A-2	7,067,079.62	4,078,086.20
Receipts from Delinquent Taxes	A-2	408,745.30	285,608.83
Receipts from Current Taxes	A-2	17,011,514.58	16,834,681.98
Non-Budget Revenue	A-2	1,492,740.01	627,250.40
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	327,031.45	187,958.91
Encumbrances Payable - Canceled	A-15	0.30	1,823.95
Interfund Loans Returned		174,872.35	18,258.40
Tax Overpayments - Canceled		2,265.60	8,059.16
Reserve for Grants - Canceled			313.89
Unallocated Tax Receipts Prior Year		9,100.76	
Reserve for:			
Master Plan Canceled		16,107.34	
Revaluation Canceled		29,640.00	
Tax Maps Canceled		1,122.60	
Total Income		27,429,449.81	23,090,416.30

Expenditures	Ref.	Year 2001	Year 2000
Budget Appropriations Within "CAPS"			
Operations:			
Salaries and Wages	A-3	3,139,403.00	3,141,694.50
Other Expenses	A-3	2,712,425.00	2,696,864.00
Deferred Charges and Statutory Expenditures - Municipal	A-3	220,553.00	353,196.28
Budget Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages	A-3	136,118.00	141,492.00
Other Expenses	A-3	3,663,155.53	603,100.13
Capital Improvements	A-3	200,000.00	240,000.00
Debt Service	A-3	1,509,863.39	1,412,336.77
Deferred Charges and Statutory Expenditures - Municipal	A-3	423,500.00	423,500.00
County Taxes	A-8	4,114,066.15	3,949,147.68
County Open Space Taxes	A-8	47,934.72	49,388.40
Due County for Added Taxes	A-8	3,970.55	2,115.72
Local District School Tax	A-17	8,909,808.50	8,933,735.00
Prepaid School Tax		151,834.50	
Special Improvement District Tax	A-8	191,222.90	200,897.46

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

	Ref.	Year 2001	Year 2000
Prior Year Deductions Disallowed	A-16	26,894.66	16,250.00
Prepaid Special Improvement District Tax		9,674.56	
Interfund Loan Advanced		212,492.32	185,109.25
Grants Receivable Canceled			54,740.10
Total Expenditures		25,672,916.78	22,403,567.29
Excess in Revenue		1,756,533.03	686,849.01
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year		18,500.00	
Statutory Excess to Fund Balance		1,775,033.03	686,849.01
Fund Balance			
Balance January 1	A	1,281,251.26	1,642,776.83
		3,056,284.29	2,329,625.84
Decreased by:			
Utilization as Anticipated Revenue	A-1	889,229.90	1,048,374.58
Balance December 31	A	2,167,054.39	1,281,251.26

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2001	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	889,229.90		889,229.90	
Miscellaneous Revenues:					
Licenses:					
Other	A-11	5,900.00		5,957.00	57.00
Fees and Permits	A-11	20,400.00		30,780.50	10,380.50
Fines and Costs:					
Municipal Court	A-11	274,000.00		219,873.41	(54,126.59)
Interest and Costs on Taxes	A-11	110,000.00		107,879.92	(2,120.08)
Parking Meters	A-11	43,000.00		43,000.00	
Dept. of Recreation Fees	A-11	47,000.00		48,761.00	1,761.00
Tax Searches	A-11	600.00		430.00	(170.00)
Fire Service	A-11	29,500.00		32,035.00	2,535.00
Pool Tags	A-11	68,000.00		65,108.90	(2,891.10)
Resale Inspection Fees	A-11	6,900.00		7,275.00	375.00
Rental Inspections	A-11	13,500.00		17,512.00	4,012.00
Fundraising - Ambulance	A-11	3,500.00		1,220.00	(2,280.00)
Delaware River Port Authority	A-11	30,000.00		30,000.00	
Energy Receipts Tax	A-11	605,722.00		605,722.00	
Leg. Init. Block Grant	A-11	66,900.00		66,900.00	
Leg. Init. Block Grant 2000	A	1,632.00		1,632.00	
Supplemental Energy Receipts	A-11	33,452.00		33,452.00	
Consolidated Municipal Property Tax Relief	A-11	862,358.00		862,358.00	
Uniform Construction Code	A-11	68,000.00		65,037.00	(2,963.00)
Third Party Billing - Ambulance	A-11	14,000.00		1,015.65	(12,984.35)
Collingswood Ambulance Service Membership	A-11	11,700.00		10,885.00	(815.00)
In Lieu of Taxes - Parkview	A-11	819,000.00		819,000.00	
In Lieu of Taxes - Methodist Home	A-11	30,000.00		30,600.00	600.00
In Lieu of Taxes - Collingswood Arms	A-11	14,800.00		12,321.00	(2,479.00)
Uniform Fire Safety Act	A-11	8,393.37		8,900.89	507.52
Housing Inspections	A-11	16,900.00		24,535.00	7,635.00
Lease Payments - Parkview	A-11	126,666.96		116,111.38	(10,555.58)
Community Sponsored Events	A-11	45,661.14		56,618.94	10,957.80
Zane School Rent	A-11	219,000.00		211,899.00	(7,101.00)

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-2
(Continued)

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2001	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
BJA - Local Law Enforcement Block Grant	A-7		14,271.00	14,271.00	
Drunk Driving Enforcement	A-7	613.70	882.92	1,496.62	
Clean Communities Program	A-7	21,400.00		21,400.00	
Municipal Alliance Program	A-7	15,650.00		15,650.00	
Occupant Protection Project	A-7		13,137.00	13,137.00	
Safe and Secure Communities	A-7		90,000.00	90,000.00	
FEMA -Richey Avenue	A-7		2,324,384.00	2,324,384.00	
Aggressive Drivers Grant	A-7		9,600.00	9,600.00	
Neighborhood Preservation	A-7		100,000.00	100,000.00	
Police Body Armor	A-7	3,031.52		3,031.52	
NJ Transportation Trust Fund	A-7	140,000.00	40,000.00	180,000.00	
Recycling Tonnage Grant	A-7		7,288.89	7,288.89	
Special Purpose Grant - Richey Ave	A-7		500,000.00	500,000.00	
County of Camden - Richey Ave.	A-7		250,000.00	250,000.00	
Total Miscellaneous Revenues		3,777,180.69	3,349,563.81	7,067,079.62	(59,664.88)
Receipts from Delinquent Taxes	A-2	320,000.00		408,745.30	88,745.30
Subtotal General Revenues		4,097,180.69	3,349,563.81	7,475,824.92	29,080.42
Amount to be Raised by Taxation	A-2	4,089,409.00		4,182,474.26	93,065.26
Budget Totals		9,075,819.59	3,349,563.81	12,547,529.08	122,145.68
Non-Budget Revenue	A-2			1,492,740.01	
		9,075,819.59	3,349,563.81	14,040,269.09	
	Ref.	A-3	A-3		

Analysis of Realized Revenue	Ref.	
Allocation of Current Tax Collections: Revenue from Collections	A-8	17,011,514.58
Allocated to: School, County and Special Improvement Taxes		13,267,002.82
Balance for Support of Municipal Budget Appropriation		3,744,511.76
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	437,962.50
Amount for Support of Municipal Budget Appropriation	A-2	4,182,474.26

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-2
(Continued)

STATEMENT OF REVENUES

Analysis of Realized Revenue	Ref.	
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	A-8	285,493.77
Tax Title Liens	A-9	123,251.53
	A-2	408,745.30

Analysis of Non-Budget Revenue		
Miscellaneous Revenue Not Anticipated:		
Revenue Accounts Receivable:		
NSF Check Fee	A-11	125.00
Cat Licenses	A-11	216.00
Duplicate Bill Fees	A-11	50.00
Photocopy Fee	A-11	1,561.25
Miscellaneous	A-11	344.62
Cable TV Franchise Fee	A-11	39,608.34
Interest on Investments	A-11	109,261.76
Payments in Lieu of Taxes	A-11	4,667.50
Reimbursement - CDBG	A-11	157,353.71
Development Regs	A-11	465.00
Refunds	A-11	16,129.87
CPR Registration Fees	A-11	400.00
Sale of Borough Property	A-11	1,093,057.14
Recycled Newspapers	A-11	1,709.38
Clean-up Charges	A-11	9,455.93
Miscellaneous Revenue	A-11	21,808.14
Knight Park Donation	A-11	4,500.00
DMV Inspection Fines	A-11	4,385.20
Senior Citizen & Veterans Administration Fee	A-11	3,351.00
B.I.D. Liens	A-11	289.27
Haddon Twp Fire	A-11	15,278.90
Due from Trust Other:		
Community Center Rents		8,722.00
	A-2	1,492,740.01

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
GENERAL GOVERNMENT FUNCTIONS						
Administrator's Office						
Other Expenses	3,000.00	3,000.00	2,805.33		194.67	
Mayor and Commissioners						
Salaries and Wages	15,616.00	15,616.00	15,615.96		0.04	
Other Expenses	2,500.00	2,500.00	2,443.99		56.01	
Municipal Clerk						
Salaries and Wages	35,672.00	35,672.00	35,671.75		0.25	
Other Expenses:						
Printing and Advertising	22,000.00	23,200.00	21,052.22	1,890.52	257.26	
Stationery and Supplies	2,000.00	2,000.00	1,930.54		69.46	
Miscellaneous Other Expenses	4,400.00	4,400.00	1,602.10	130.00	2,667.90	
Elections						
Salaries and Wages	6,000.00	6,173.00	6,172.21		0.79	
Other Expenses	15,810.00	15,810.00	13,155.99		2,654.01	
Financial Administration						
Salaries and Wages	1,808.00	1,809.00	1,808.04		0.96	
Other Expenses	23,500.00	31,000.00	28,465.75	854.90	1,679.35	
Audit Services						
Other Expenses	6,000.00	6,000.00	5,875.00		125.00	
Collection of Taxes						
Salaries and Wages	35,624.00	35,624.00	34,598.08		1,025.92	
Other Expenses	12,600.00	12,600.00	11,943.98	46.59	609.43	
Assessment of Taxes						
Salaries and Wages	27,354.00	27,354.00	27,353.90		0.10	
Other Expenses	5,500.00	5,500.00	1,793.50	40.00	3,666.50	
Legal Services and Costs						
Salaries and Wages	1,560.00	1,560.00	1,560.00			
Other Expenses	100,000.00	102,500.00	97,079.92	5,162.50	257.58	
Engineering Services and Costs						
Other Expenses	25,000.00	25,000.00	21,843.48		3,156.52	
Community Development						
Salaries and Wages	28,465.00	28,465.00	28,464.58		0.42	
Other Expenses	45,000.00	45,000.00	44,549.43		450.57	

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-3
(Continued)

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Historical Building-Knight Homestead						
Other Expenses	1,900.00	1,900.00	407.31		1,492.69	
Zane School						
Other Expenses	28,000.00	32,000.00	29,677.10	1,898.20	424.70	
LAND USE ADMINISTRATION						
Municipal Land Use Law (N.J.S. 40:55D-1)						
Planning Board						
Salaries and Wages	12,022.00	12,023.00	12,022.08		0.92	
Other Expenses	700.00	700.00	546.61		153.39	
Zoning Commission						
Salaries and Wages	27,811.00	27,811.00	27,810.22		0.78	
Other Expenses	1,000.00	1,000.00	789.88		210.12	
CODE ENFORCEMENT AND ADMINISTRATION						
Nuisance Inspector						
Salaries and Wages	18,240.00	18,240.00	18,239.13		0.87	
Other Expenses	7,000.00	7,000.00	2,220.15		4,779.85	
INSURANCE						
Liability Insurance	30,000.00	30,000.00	28,320.56	300.00	1,379.44	
Workers Compensation Insurance	19,708.00	19,708.00	19,708.00			
Group Insurance Plan for Employees	743,000.00	783,800.00	739,204.61		44,595.39	
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	2,012,450.00	1,888,286.00	1,887,313.41		972.59	
Other Expenses	80,400.00	80,267.00	77,423.54	842.18	2,001.28	
Office of Emergency Management						
Other Expenses	100.00	100.00			100.00	
Ambulance						
Other Expenses	65,750.00	65,750.00	13,991.22	1,319.60	50,439.18	

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-3
(Continued)

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Fire						
Salaries and Wages	534,215.00	536,727.00	535,866.79		860.21	
Other Expenses	37,350.00	37,350.00	36,255.58	923.01	171.41	
Supplemental Fire	13,550.00	13,550.00	8,632.96	4,916.45	0.59	
Uniform Fire Safety Act (P.L. 1983, CH. 383):						
Fire Inspector						
Salaries and Wages	41,397.00	41,397.00	41,395.23		1.77	
Other Expenses	10,700.00	10,700.00	10,679.56		20.44	
Municipal Prosecutor						
Salaries and Wages	8,964.00	8,964.00	8,964.00			
PUBLIC WORKS FUNCTIONS						
Streets and Highways						
Salaries and Wages	208,900.00	208,900.00	197,687.21		11,212.79	
Other Expenses	17,000.00	19,700.00	18,319.40	151.59	1,229.01	
Storm Sewers						
Other Expenses	1,500.00	1,500.00	220.00		1,280.00	
Parking Meter Maintenance						
Other Expenses	200.00	200.00			200.00	
Shade Tree Commission						
Other Expenses	5,500.00	5,500.00	4,486.79	300.00	713.21	
Solid Waste Collection						
Contractual	324,750.00	330,250.00	299,966.50	29,500.00	783.50	
Public Building and Grounds						
Salaries and Wages	28,093.00	28,093.00	28,093.00			
Other Expenses	11,000.00	12,000.00	11,044.22	210.15	745.63	
Vehicle Maintenance						
Other Expenses	55,500.00	64,500.00	53,921.70	8,143.29	2,435.01	
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health)						
Other Expenses	425.00	425.00	398.65		26.35	
Animal Regulation						
Other Expenses	7,500.00	7,500.00	5,208.00		2,292.00	
Administration of Public Assistance						
Other Expenses	100.00	100.00			100.00	

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-3
(Continued)

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Poor and Indigent						
Other Expenses	100.00	100.00			100.00	
PARK AND RECREATION FUNCTIONS						
Parks and Playgrounds						
Salaries and Wages	22,067.00	22,067.00	11,326.02		10,740.98	
Other Expenses	88,200.00	88,200.00	73,312.60	14,569.02	318.38	
Robert's Park Swimming Pool						
Salaries and Wages	61,000.00	61,000.00	60,974.36		25.64	
Other Expenses	31,500.00	31,500.00	26,433.28	400.00	4,666.72	
Knight Park						
Salaries and Wages	40,845.00	42,178.00	42,177.38		0.62	
Senior Center						
Salaries and Wages	15,000.00	16,544.00	16,543.02		0.98	
Other Expenses	6,000.00	11,000.00	9,499.91		1,500.09	
Senior Citizens' Activities						
Other Expenses	2,000.00	2,000.00	500.00		1,500.00	
OTHER COMMON OPERATING FUNCTIONS						
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	57,000.00	64,500.00	60,153.23	96.36	4,250.41	
UTILITY AND BULK EXPENSES						
Electricity	90,000.00	118,100.00	113,180.33		4,919.67	
Street Lighting	96,000.00	96,000.00	83,844.72		12,155.28	
Telephone	33,000.00	33,000.00	30,069.53	860.00	2,070.47	
Gas (Natural or Propane)	10,000.00	28,500.00	19,394.09		9,105.91	
Fuel Oil	15,000.00	16,500.00	13,659.72		2,840.28	
Telecommunication Costs	5,215.00	7,515.00	6,867.75		647.25	
Gasoline	29,000.00	29,000.00	24,987.21	2,449.74	1,563.05	
SOLID WASTE DISPOSAL COSTS						
Solid Waste Disposal						
Other Expenses	380,000.00	380,000.00	360,646.43	1,304.00	18,049.57	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Construction Official						
Salaries and Wages	74,900.00	74,900.00	65,975.95	1,612.60	7,311.45	
Other Expenses	2,000.00	2,000.00	1,970.63		29.37	
Total Operations	5,832,961.00	5,851,328.00	5,546,115.32	77,920.70	227,291.98	
Contingent	500.00	500.00	36.38		463.62	
Total Operations Including Contingent Within "CAPS"	5,833,461.00	5,851,828.00	5,546,151.70	77,920.70	227,755.60	
Detail:						
Salaries and Wages	3,258,003.00	3,139,403.00	3,105,632.32	1,612.60	32,158.08	
Other Expenses	2,575,458.00	2,712,425.00	2,440,519.38	76,308.10	195,597.52	
DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I)	143,000.00	143,000.00	130,055.90		12,944.10	
Police & Firemen's Retirement System	77,553.00	77,553.00	77,553.00			
Total Deferred Charges & Statutory Expenditures-Municipal within "CAPS"	220,553.00	220,553.00	207,608.90		12,944.10	
Total General Appropriations for Municipal Purposes within "CAPS"	6,054,014.00	6,072,381.00	5,753,760.60	77,920.70	240,699.70	
OPERATIONS EXCLUDED FROM "CAPS"						
Municipal Court						
Salaries and Wages	124,739.00	124,739.00	123,405.28		1,333.72	
Other Expenses	22,848.00	22,848.00	13,115.45	2,849.21	6,883.34	
Public Defender						
Salaries and Wages	6,879.00	6,879.00	6,879.00			
EDUCATION FUNCTIONS						
Maintenance of Free Public Library	284,550.00	284,550.00	273,479.86	811.51	10,258.63	

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-3
(Continued)

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Drunk Driving Enforcement Grant	613.70	1,496.62	1,496.62			
Clean Communities Program	21,400.00	21,400.00	21,400.00			
Municipal Alliance on Alcoholism and Drug Abuse	19,562.50	19,562.50	19,562.50			
Safe & Secure Grant		90,000.00	90,000.00			
Aggressive Drivers Grant		9,600.00	9,600.00			
Neighborhood Preservation		100,000.00	100,000.00			
Recycling Tonnage Grant		7,288.89	7,288.89			
Special Purpose Grant - Richey Avenue		500,000.00	500,000.00			
County of Camden - Open Space -Richey Avenue		250,000.00	250,000.00			
FEMA - Richey Avenue - Hazard Mitigation Grant		2,324,384.00	2,324,384.00			
Police Body Armor	3,031.52	3,031.52	3,031.52			
BJA - Local Law Enforcement Grant		15,857.00	15,857.00			
Occupant Protection Project		13,137.00	13,137.00			
Knight Park Donation - Salary and Wages	4,500.00	4,500.00	4,500.00			
Matching Funds for Grants	1,453.00					
Total Operations Excluded from "CAPS"	489,576.72	3,799,273.53	3,777,137.12	3,660.72	18,475.69	
Detail:						
Salaries and Wages	136,118.00	136,118.00	134,784.28		1,333.72	
Other Expenses	353,458.72	3,663,155.53	3,642,352.84	3,660.72	17,141.97	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Resurface of Streets	5,000.00	5,000.00			5,000.00	
Improvements to Various Roads	15,000.00	15,000.00	4,120.30	1,475.00	9,404.70	
NJ Transportation Trust Fund	140,000.00	180,000.00	180,000.00			
Total Capital Improvements Excluded from "CAPS"	160,000.00	200,000.00	184,120.30	1,475.00	14,404.70	

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A-3
(Continued)

STATEMENT OF EXPENDITURES

	Appropriations		Expended			
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	522,888.89	522,888.89	522,888.89			
Interest on Bonds	800,580.58	800,580.58	800,073.69			506.89
Interest on Notes	187,296.90	187,296.90	186,900.81			396.09
Total Municipal Debt Service Excluded from "CAPS"	1,510,766.37	1,510,766.37	1,509,863.39			902.98
DEFERRED CHARGES - EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - (NJSA40A:4-55)	68,000.00	68,000.00	68,000.00			
Transfer to the Board of Education	355,500.00	355,500.00	355,500.00			
Total Deferred Charges - Excluded from "CAPS"	423,500.00	423,500.00	423,500.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	2,583,843.09	5,933,539.90	5,894,620.81	5,135.72	32,880.39	902.98
Subtotal General Appropriations	8,637,857.09	12,005,920.90	11,648,381.41	83,056.42	273,580.09	902.98
RESERVE FOR UNCOLLECTED TAXES	437,962.50	437,962.50	437,962.50			
TOTAL GENERAL APPROPRIATIONS	9,075,819.59	12,443,883.40	12,086,343.91	83,056.42	273,580.09	902.98
Ref.	A-2			A-15	A	

	Ref.	
Appropriations by 40A:4-87	A-2	3,349,563.81
Emergency Authorization	A-12	18,500.00
Budget	A-3	9,075,819.59
		12,443,883.40

	Ref.	
Reserve for Uncollected Taxes	A-2	437,962.50
Reserve for Federal and State Grants - Appropriated	A-18	3,535,757.53
Deferred Charges:		
Special Emergency	A-13	68,000.00
Disbursed	A-4	8,044,623.88
		12,086,343.91

The accompanying notes to the financial statements are an integral part of this statement.

TRUST FUND

EXHIBIT B

COMPARATIVE BALANCE SHEET - TRUST FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Animal Control Trust Fund			
Cash - Treasurer	B-1	2,189.09	89.80
Trust - Other			
Cash - Treasurer	B-1	211,079.10	251,068.15
Cash - Collector	B-3	28,354.91	152,093.06
Due from County of Camden - CDBG			79,678.73
Commodity Resale Receivable		8,987.08	5,166.80
		248,421.09	488,006.74
		250,610.18	488,096.54

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Animal Control Trust Fund			
Due State of New Jersey		6.60	
Due Current Fund	A	34.49	
Reserve for Dog Fund Expenditures	B-5	2,148.00	89.80
		2,189.09	89.80
Trust - Other			
Due Current Fund	A	3,215.76	77,924.29
Encumbrances Payable		2,488.90	
Deposits on Premiums Received at Tax Sale	B-6	15,675.00	52,350.00
Tax Sale Redemption		11,296.14	17,325.81
Due CCMUA			82,417.25
Reserve for:			
Parking Meters		17,567.73	18,736.23
Unemployment		128,921.24	132,937.70
Zoning Board Escrow Fees		1,900.00	2,136.15
Planning Board Escrow Fees		8,654.73	7,234.83
Trust Other		99.01	99.01
Public Defender		4,601.00	253.00
POAA		6,115.67	7,380.17
Rooming House Escrow		1,400.00	1,000.00
Uniform Fire - Penalty Money		10,361.19	4,263.34
Municipal Alliance		14,369.18	17,550.82
Off-Duty Police Officers		334.99	2,654.99
Insurance Claims		265.55	265.55
Law Enforcement Forfeiture		1,234.33	2,519.65
Donations Police Body Armor		7,348.00	20,453.63
Domestic Violence		283.39	283.39
Community Sponsored Events			39,881.94
Commodity Resale		12,289.28	338.99
		248,421.09	488,006.74
		250,610.18	488,096.54

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL CAPITAL FUND

EXHIBIT C

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Cash - Treasurer	C-2	325,913.19	3,213,480.06
Deferred Charges to Future Taxation:			
Funded		12,789,918.52	13,312,807.41
Unfunded	C-6	4,286,295.00	4,134,295.00
Overexpenditure of an Ordinance	C-7	21,891.44	
		17,424,018.15	20,660,582.47
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds Payable	C-8	12,789,918.52	13,312,807.41
Bond Anticipation Notes Payable	C-9	4,283,000.00	4,131,000.00
Improvement Authorizations:			
Funded	C-7	112,048.39	932,736.35
Unfunded	C-7	105,304.43	1,924,263.43
Capital Improvement Fund	C-4	32,506.66	40,506.66
Encumbrances Payable	C-7	7,032.05	132,157.38
Reserve for Library Construction			3,040.57
Reserve for Debt Service		222.83	
Due Current Fund	A	79,929.22	181,489.62
Fund Balance	C-1	14,056.05	2,581.05
		17,424,018.15	20,660,582.47

The accompanying notes to the financial statements are an integral part of this statement.

WATER UTILITY FUND

EXHIBIT D

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Operating Fund			
Cash - Treasurer	D-5	508,514.48	516,890.64
Cash - Change Fund		50.00	50.00
Cash - Petty Cash		100.00	100.00
		508,664.48	517,040.64
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-8	101,876.76	112,356.03
Water Liens	D-9	2,096.98	1,748.92
		103,973.74	114,104.95
Deferred Charges:			
Overexpenditure of Appropriation			2,271.93
Deficit in Operations			45,820.94
			48,092.87
Total Operating Fund		612,638.22	679,238.46
Capital Fund			
Cash - Treasurer	D-5	404,712.67	74,184.28
Fixed Capital	D-10	4,354,877.06	4,354,877.06
Fixed Capital Authorized and Uncompleted	D-11	2,647,865.61	2,067,865.61
Due from Water Operating Fund	D	20,653.65	17,800.20
Total Capital Fund		7,428,108.99	6,514,727.15
		8,040,747.21	7,193,965.61

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D
(Continued)

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Operating Fund			
Liabilities:			
Appropriation Reserves	D-4:D-12	129,804.45	91,273.29
Encumbrances Payable	D-13	14,463.34	6,268.02
Accrued Interest on Bonds	D-14	32,489.61	35,724.19
Water Rent Overpayments		5,031.71	7,930.73
Due Water Capital Fund	D	20,653.65	17,800.20
		202,442.76	158,996.43
Reserve for Receivables		103,973.74	114,104.95
Fund Balance	D-1	306,221.72	406,137.08
Total Operating Fund		612,638.22	679,238.46
Capital Fund			
Serial Bonds Payable	D-17	1,993,311.11	2,142,644.44
Bond Anticipation Notes Payable	D-18	558,000.00	
Improvement Authorizations:			
Funded	D-16	33,003.61	73,752.02
Unfunded	D-16	373,499.30	
Capital Improvement Fund	D-15	26,305.90	6,305.90
Reserve for Amortization		2,361,565.95	2,212,232.62
Deferred Reserve for Amortization		2,067,865.61	2,067,865.61
Encumbrances Payable	D-13	14,210.00	11,579.05
Fund Balance	D-2	347.51	347.51
Total Capital Fund		7,428,108.99	6,514,727.15
		8,040,747.21	7,193,965.61

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - WATER UTILITY FUND

Revenue and Other Income Realized	Ref.	Year 2001	Year 2000
Surplus Anticipated	D-3	196,783.68	47,387.25
Rents	D-3	1,352,824.71	1,240,000.00
Additional Rents - Rate Increase			86,662.06
Miscellaneous	D-3	63,951.56	45,195.33
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-12	20,092.05	10,191.67
Total Income		1,633,652.00	1,429,436.31
Expenditures			
Operating	D-4	1,172,554.00	1,174,742.00
Capital Improvements	D-4	20,000.00	
Debt Service	D-4	249,590.81	256,755.25
Deferred Charges and Statutory Expenditures - Municipal	D-4	94,638.87	43,220.00
Prior Year Refund			540.00
Total Expenditures		1,536,783.68	1,475,257.25
Excess in Revenue		96,868.32	
Deficit in Revenue			45,820.94
Operating Deficit to be Raised in Budget of Succeeding Year			45,820.94
Fund Balance			
Balance January 1	D	406,137.08	453,524.33
		503,005.40	453,524.33
Decreased by:			
Utilization as Anticipated Revenue	D-1	196,783.68	47,387.25
Balance December 31	D	306,221.72	406,137.08

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D-2

STATEMENT OF WATER CAPITAL FUND BALANCE

	Ref.	
Balance December 31, 2000	D	347.51
Balance December 31, 2001	D	347.51

EXHIBIT D-3

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2001	Realized	Excess or (Deficit)
Fund Balance	D-1	196,783.68	196,783.68	
Rents	D-3	1,300,000.00	1,352,824.71	52,824.71
Miscellaneous	D-3	40,000.00	63,951.56	23,951.56
		1,536,783.68	1,613,559.95	76,776.27
	Ref.	D-4		

Analysis of Realized Revenue	Ref.	
Rents:		
Consumer Accounts Receivable:		
Collected	D-8	1,342,728.34
Overpayments Applied	D-8	7,930.73
Water Liens	D-9	2,165.64
	D-3	1,352,824.71
Miscellaneous:		
Penalties		11,206.78
Miscellaneous		22,615.78
Current Status Fee		717.50
Return Check Fee		284.00
Refunds		2,620.09
Interest on Investments		26,507.41
	D-5	63,951.56

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D-4

STATEMENT OF EXPENDITURES - WATER

		Appropriations		Expended	
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salary and Wages	509,054.00	509,054.00	505,206.64		3,847.36
Other Expenses	663,500.00	663,500.00	523,432.94	14,463.34	125,603.72
Capital Improvements:					
Capital Improvement Fund	20,000.00	20,000.00	20,000.00		
Debt Service:					
Payment of Bond Principal	149,333.33	149,333.33	149,333.33		
Interest on Bonds	100,257.48	100,257.48	100,257.48		
Deferred Charges:					
Overexpenditure of Appropriation	2,271.93	2,271.93	2,271.93		
Deficit Prior Year	45,820.94	45,820.94	45,820.94		
Statutory Expenditures:					
Public Employees' Retirement System	7,546.00	7,546.00	7,544.43		1.57
Social Security System (O.A.S.I.)	39,000.00	39,000.00	38,648.20		351.80
	1,536,783.68	1,536,783.68	1,392,515.89	14,463.34	129,804.45
Ref.	D-3			D-13	D

	Ref.	
Interest on Bonds and Notes	D-14	100,257.48
Due Water Capital Fund		20,000.00
Deferred Charges:		
Overexpenditure of Appropriation		2,271.93
Deficit Prior Year		45,820.94
Disbursed	D-5	1,224,165.54
		1,392,515.89

The accompanying notes to the financial statements are an integral part of this statement.

SEWER UTILITY FUND

EXHIBIT E

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Operating Fund			
Cash - Treasurer	E-5	298,930.07	221,476.12
Cash - Change Fund		50.00	50.00
Cash - Petty Cash			100.00
Due from Sewer Utility Capital Fund			11,998.79
		298,980.07	233,624.91
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-8	22,616.18	32,601.51
Water Liens	E-9	1,140.36	1,280.90
		23,756.54	33,882.41
Deferred Charges:			
Emergency Authorization	E-4	36,896.66	31,719.37
Total Operating Fund		359,633.27	299,226.69
Capital Fund			
Cash - Treasurer	E-5	39,629.36	618,479.29
Fixed Capital	E-10	1,943,739.63	1,943,739.63
Fixed Capital Authorized and Uncompleted	E-11	2,820,000.00	2,230,000.00
Due from Sewer Operating Fund	E	45,590.58	
Total Capital Fund		4,848,959.57	4,792,218.92
		5,208,592.84	5,091,445.61

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT E
(Continued)

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Operating Fund			
Liabilities:			
Appropriation Reserves	E-4:E-12	28,040.52	15,374.09
Encumbrances Payable	E-13	14,017.14	3,122.37
Accrued Interest on Bonds	E-14	30,255.97	15,754.73
Sewer Rent Overpayments		1,159.65	1,271.94
Due Sewer Capital Fund	E	45,590.58	
		119,063.86	35,523.13
Reserve for Receivables		23,756.54	33,882.41
Fund Balance	E-1	216,812.87	229,821.15
Total Operating Fund		359,633.27	299,226.69
Capital Fund			
Serial Bonds Payable	E-17	1,211,770.37	1,258,548.15
NJ Wastewater Treatment Trust Loan	E-19	808,957.07	
Bond Anticipation Notes Payable	E-18		855,000.00
Improvement Authorizations:			
Funded	E-16	13,498.07	13,498.07
Unfunded	E-16	767,479.02	733,191.85
Capital Improvement Fund	E-15	33,280.00	51,250.00
Due Sewer Utility Operating Fund			11,998.79
Encumbrances Payable	E-13	84,243.27	
Reserve for Amortization		746,191.19	685,191.48
Deferred Reserve for Amortization		1,180,000.00	1,180,000.00
Fund Balance	E-2	3,540.58	3,540.58
Total Capital Fund		4,848,959.57	4,792,218.92
		5,208,592.84	5,091,445.61

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT E-1

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - SEWER UTILITY FUND

Revenue and Other Income Realized	Ref.	Year 2001	Year 2000
Surplus Anticipated	E-3	173,611.98	111,050.42
Rents	E-3	899,755.35	829,753.13
Miscellaneous	E-3	56,372.17	45,687.16
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-12	4,476.18	2,042.13
Total Income		1,134,215.68	988,532.84
Expenditures			
Operating	E-4	712,800.00	668,842.37
Capital Improvements	E-4	45,000.00	45,000.00
Debt Service	E-4	179,743.27	104,192.00
Deferred Charges & Statutory Expenditures - Municipal	E-4	72,965.37	29,750.00
Total Expenditures		1,010,508.64	847,784.37
Excess in Revenue		123,707.04	140,748.47
Adjustments to Income before Fund Balance: Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	E-4	36,896.66	31,719.37
Statutory Excess to Fund Balance		160,603.70	172,467.84
Fund Balance			
Balance January 1	E	229,821.15	168,403.73
		390,424.85	340,871.57
Decreased by: Utilization as Anticipated Revenue	E-1	173,611.98	111,050.42
Balance December 31	E	216,812.87	229,821.15

EXHIBIT E-2

STATEMENT OF SEWER CAPITAL FUND BALANCE

	Ref.	
Balance December 31, 2000	E	3,540.58
Balance December 31, 2001	E	3,540.58

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2001	Realized	Excess or (Deficit)
Surplus Anticipated	E-1	173,611.98	173,611.98	
Rents	E-3	800,000.00	899,755.35	99,755.35
		973,611.98	1,073,367.33	99,755.35
	Ref.	E-4		

	Ref.	
Analysis of Realized Revenue		
Rents:		
Consumer Accounts Receivable:		
Collected	E-8	897,065.57
Overpayments Applied	E-8	1,271.94
Sewer Liens	E-9	1,417.84
	E-3	899,755.35
Analysis of Miscellaneous Revenue Not Anticipated:		
Penalties		4,961.78
Miscellaneous		357.51
Current Status Fee		544.50
Interest on Investments		50,508.38
	E-5	56,372.17

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT E-4

STATEMENT OF EXPENDITURES - SEWER

	Appropriations		Expended		
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salary and Wages	427,600.00	427,600.00	415,885.32		11,714.68
Other Expenses	285,200.00	285,200.00	256,766.59	14,017.14	14,416.27
Capital Improvements:					
Capital Improvement Fund	45,000.00	45,000.00	45,000.00		
Debt Service:					
Payment of Bond Principal	46,777.78	61,794.71	61,794.71		
Interest on Bonds	55,712.83	77,592.56	77,592.56		
Interest on Notes	40,356.00	40,356.00	40,356.00		
Deferred Charges:					
Emergency Authorization	31,719.37	31,719.37	31,719.37		
Statutory Expenditures:					
Public Employees' Retirement System	7,546.00	7,546.00	7,545.84		0.16
Social Security System (O.A.S.I.)	33,700.00	33,700.00	31,790.59		1,909.41
	973,611.98	1,010,508.64	968,450.98	14,017.14	28,040.52
Ref.	E-3			E-13	E

	Ref.	
Budget	E-3	973,611.98
Emergency Appropriation 40A:4-47	E	36,896.66
		1,010,508.64

	Ref.	
Interest on Bonds and Notes	E-14	117,948.56
Due Sewer Capital Fund		45,000.00
Deferred Charges:		
Emergency Authorization		31,719.37
Disbursed	E-5	773,783.05
		968,450.98

The accompanying notes to the financial statements are an integral part of this statement.

PUBLIC ASSISTANCE FUND

EXHIBIT F

COMPARATIVE BALANCE SHEET - PUBLIC ASSISTANCE FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Cash - Treasurer	F-1		3,669.34
Due from Current Fund			25.13
			3,694.47
LIABILITIES AND RESERVES			
Reserve for Public Assistance			3,694.47
			3,694.47

The accompanying notes to the financial statements are an integral part of this statement.

PAYROLL FUND

EXHIBIT G

COMPARATIVE BALANCE SHEET - PAYROLL FUND

ASSETS	Ref.	Balance Dec. 31, 2001	Balance Dec. 31, 2000
Cash - Treasurer	G-1	51,092.98	85,272.58
Due from Current Fund			263.46
		51,092.98	85,536.04
LIABILITIES AND RESERVES			
Payroll Taxes Payable		49,934.75	85,536.04
Due Current Fund	A	1,158.23	
		51,092.98	85,536.04

The accompanying notes to the financial statements are an integral part of this statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Collingswood was incorporated in 1888 and is located in Camden County, New Jersey.

The Borough is governed by a mayor and two elected commissioners. The Borough is managed daily by the Borough Administrator.

The financial statements of the Borough of Collingswood included every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Collingswood, as required by N.J.S. 40A:5-5.

B. Description of Funds and Account Groups

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

Current Fund – Resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

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

Public Assistance Trust Fund – Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant of Title 44 of New Jersey statutes.

Payroll Account – Receipt and disbursement of funds to meet obligations to employees and payroll tax liabilities.

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

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

C. Basis of Accounting

A modified accrual basis of accounting is followed. The more significant accounting principles are as follows:

Budget Policy – The Borough adopts an annual budget in accordance with N.J.S.A.40A;4. Once approved, the Borough may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per N.J.S.A.40A:4-46. After approval from the director the Borough can make amendments for any special item of revenue made available by any public or private funding source as per N.J.S.A.40A:4-87. The Borough can also make amendments for any special emergency or emergency authorization.

Authorized budget amendments were approved as follows:

Current Fund:	
Special Item of Revenue:	
Hazard Mitigation Grant	2,324,384.00
Occupant Protection Grant	13,137.00
Aggressive Drivers Grant	9,600.00
DWI	882.92
Safe and Secure	90,000.00
Recycling Tonnage	7,288.89
NJ DOT	40,000.00
Special Purpose Grant	500,000.00
Local Law Enforcement Block Grt.	14,271.00
Neighborhood Preservation	100,000.00
County of Camden - Richey Avenue	250,000.00
Sewer Operating Fund:	
Emergency Authorization:	
Debt Service	36,896.66

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 Borough budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. Fund balance utilized to balance the budget is recorded as revenue and budgeted transfers from other funds are also recorded as revenue when anticipated in the budget.

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

C. Basis of Accounting (Continued)

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and as accounts payable. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted to the extent permitted or required by law. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Property Taxes – Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1, and November 1 of each year. All unpaid taxes levied become delinquent January 1 of the following year. Delinquent taxes are considered fully collectible and, therefore, no allowance for uncollectible taxes is provided.

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

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, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough has developed a fixed assets accounting and reporting system.

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

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

C. Basis of Accounting (Continued)

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available, in accordance with the State of New Jersey's Technical Accounting Directive 85-2. However, land and improvements are recorded at its assessed value which is a departure from the aforementioned directive.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress 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.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reports amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Appeals and Other Contingent Losses – Losses which arise from tax appeals and other contingent losses are recognized at the time an unfavorable decision is rendered by an administrative or judicial body.

Departures from Generally Accepted Accounting Principles – The accounting principles and practices followed by the Borough of Collingswood differ in some respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

Taxes and other receivables are fully reserved.

Interfund receivables in the Current Fund are fully reserved and recognized as revenue in the year of liquidation.

Unexpended and uncommitted appropriations are reflected as expenditures.

Overexpended appropriations and emergency appropriations are deferred to the succeeding years' operations.

No provision is made for accumulated vested vacation and sick leave.

Undetermined contributions to state-administered pension plans applicable to the six months ended December 31 are not accrued.

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

C. Basis of Accounting (Continued)

Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

Depreciation expense is not calculated on fixed assets.

It was not practicable to determine the effect of such differences.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Borough of Collingswood has defined cash and cash equivalents to consist primarily of petty cash, change funds, cash on deposit, money market accounts and short term investments with original maturities of three months or less.

Investments are stated at cost or amortized cost, which approximates market.

Deposits

New Jersey statutes require that municipalities deposit public funds in contracted depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds, under the Governmental Unit Deposit Protection Act (G.U.D.P.A.) N.J.S.A. 17:9-41, that exceed depository insurance limits as follows:

> The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000.00.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Deposits (Continued)

Although the pledged securities are not in the name of the municipality, the deposits are deemed collateralized under New Jersey law, and certificates to eligibility are issued every six months by the public depository under the provisions of G.U.D.P.A.

The carrying amount of the Borough's cash and cash equivalents at December 31, 2001, was $4,141,488.70 and the bank balance was $8,882,082.99. Of the bank balance, $324,675.90 was covered by federal depository insurance (including public and custodial funds) and $8,557,407.09 was covered by a collateral pool maintained by the bank as required by New Jersey statutes.

Category 1 are deposits insured, registered or collateralized with securities held by the Borough or its agent, in the Borough's name.

Category 2 are deposits uninsured, unregistered or collateralized with securities held by the pledging public depository or by its trust department, or by its agent, in the Borough's name.

Category 3 are deposits uninsured, unregistered or uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository or by its trust department, or its agent but not in the Borough's name.

	Category 1	Category 2	Category 3
Current	2,939,726.86		
Trust Funds	260,676.61		
General Capital Fund	3,465,377.19		
Water Operating	553,092.86		
Water Capital Fund	404,712.67		
Sewer Operating	302,282.52		
Sewer Capital	894,629.36		
Payroll Fund	61,584.92		
	8,882,082.99		

Investments

New Jersey statutes permit the municipality to purchase the following types of securities:

a. Bonds or other obligations of the United States or obligations guaranteed by the United States.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Investments (Continued)

b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than 397 days from the date of purchase.

c. Bonds or other obligations of the Borough or bonds or other obligations of the Borough school district.

d. Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units.

e. Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.

f. Repurchase agreements (repos) of fully collateralized securities, subject to conditions, as indicated in NJSA 40A:5-15.1(a).

g. Certificates of deposit at federally insured banks.

As of December 31, 2001, the Borough did not have any investments.

Category 1 are deposits insured, registered or collateralized with securities held by the Borough or its agent, in the Borough's name.

Category 2 are deposits uninsured, unregistered or collateralized with securities held by the pledging public depository or by its trust department, or by its agent, in the Borough's name.

Category 3 are deposits uninsured, unregistered or uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository or by its trust department, or its agent but not in the Borough's name.

NOTE 3: INTERFUND RECEIVABLES AND PAYABLES

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2001.

	Due From	Due To
Current Fund:		
Federal and State Grant Fund	499,499.88	
General Capital Fund	79,929.22	
Trust - Other	3,215.76	
Payroll Account	1,158.23	
Animal Control Trust Fund	34.49	
Federal and State Grant Fund:		
Current Fund		499,499.88
Animal Control Trust Fund:		
Current Fund		34.49
Trust - Other:		
Current Fund		3,215.76
Water Operating Fund:		
Water Capital Fund		20,653.65
Water Capital Fund:		
Water Operating Fund	20,653.65	
Sewer Operating Fund:		
Sewer Capital Fund		45,590.58
Sewer Capital Fund:		
Sewer Operating Fund	45,590.58	
General Capital Fund:		
Current Fund		79,929.22
Payroll Account:		
Current Fund		1,158.23
	650,081.81	650,081.81

NOTE 4: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2001, the following deferred charges are shown on the balance sheets of the various funds:

	Balance Dec. 31, 2001	2002 Budget Appropriation
Current Fund:		
Emergency Authorization	18,500.00	18,500.00
Special Emergency	68,000.00	68,000.00
Expenditure Without Appropriation	133,312.64	133,312.64
Federal and State Grant Fund:		
Overexpenditure of a Grant	5,554.29	5,554.29
General Capital Fund:		
Overexpenditure of an Ordinance	21,891.44	21,891.44
Sewer Operating Fund:		
Emergency Authorization	36,896.66	36,896.66
	284,155.03	284,155.03

The appropriations in the 2002 budget are not less than that required by statute.

NOTE 5: FUND BALANCES APPROPRIATED

$1,712,438.49 of the $2,167,054.39 Current Fund balance at December 31, 2001, $134,162.30 of the $306,221.72 Water Operating Fund balance at December 31, 2001, and $166,829.87 of the $216,812.87 Sewer Operating Fund balance at December 31, 2001, were appropriated and included as anticipated revenue in the approved budget for the year ending December 31, 2002.

NOTE 6: LONG-TERM DEBT

SUMMARY OF MUNICIPAL DEBT SERVICE

During the calendar year 2001, the following changes occurred in the municipal debt:

	Balance Dec. 31, 2000	Issued/ Authorized	Retired/ Canceled	Balance Dec. 31, 2001
Issued				
General:				
Serial Bonds Payable	13,312,807.41		522,888.89	12,789,918.52
Bond Anticipation Notes	4,131,000.00	3,283,000.00	3,131,000.00	4,283,000.00
Water:				
Serial Bonds Payable	2,142,644.44		149,333.33	1,993,311.11
Bond Anticipation Notes		558,000.00		558,000.00

NOTE 6: LONG-TERM DEBT (Continued)

Sewer:				
Serial Bonds Payable	1,258,548.15		46,777.78	1,211,770.37
NJWWTT Loan		823,179.00	14,221.93	808,957.07
Bond Anticipation Notes	855,000.00		855,000.00	
Net Debt Issued	21,700,000.00	4,664,179.00	4,719,221.93	21,644,957.07
Authorized but not Issued				
General:				
Bonds and Notes	3,295.00	152,000.00	152,000.00	3,295.00
Water:				
Bonds and Notes		580,000.00	558,000.00	22,000.00
Sewer:				
Bonds and Notes	195,000.00	1,445,000.00	823,179.00	816,821.00
Authorized but not Issued	3,295.00	1,597,000.00	975,179.00	820,116.00
Total Debt Issued and Authorized but not Issued	21,703,295.00	6,261,179.00	4,839,400.93	23,320,073.07

Permanently funded debt as of December 31, 2001, consists of general obligation serial bonds as follows:

	Date of Issued	Purpose	Maturities	Interest Rate	Amount
General	8-1-93	General Improvement	8-1-02/2013	Varies	1,124,918.52
	7-15-96	Acquisition of Real Estate	7-15-02/2013	Varies	4,750,000.00
	7-15-96	Acquisition of Real Estate	7-15-02/2013	Varies	2,050,000.00
	10-1-98	General Improvement	10-1-02/2023	Varies	1,950,000.00
	10-1-98	General Improvement	10-1-02/2009	Varies	1,700,000.00
	9-1-99	CCIA Revenue Bonds	9-1-02/2019	Varies	1,215,000.00
Water	8-1-93	Water Treatment Improvements	8-1-02/2013	Varies	1,008,311.11
	10-1-98	Water Treatment Improvements	10-1-02/2018	Varies	985,000.00
Sewer	8-1-93	Sewer Improvements	8-1-02/2013	Varies	181,770.37
	10-1-98	Sewer Improvements	10-1-02/2018	Varies	1,030,000.00
		Total permanently funded debt			15,995,000.00

Permanently funded debt at December 31, 2001 also consists of New Jersey Waste Water Treatment Trust Loan as follows:

Sewer	11-9-00	Construction New Sewer Lines	8-1-02/2020	Varies	421,300.00
	11-8-01	Construction New Sewer Lines	8-1-02/2021	0.00%	387,657.07
					808,957.07

NOTE 6: LONG-TERM DEBT (Continued)

As of December 31, 2001 there was 842,116.00 temporary unfunded debt.

As of December 31, 2001, debt service requirements on long-term debt in future years are:

	Year Ended Dec. 31	Principal	Interest	Total
General	2002	545,318.52	769,251.74	1,314,570.26
	2003	572,748.15	736,138.00	1,308,886.15
	2004	605,177.78	701,415.34	1,306,593.12
	2005	607,607.41	665,191.28	1,272,798.69
	2006	610,037.04	628,833.30	1,238,870.34
	2007-2011	3,100,503.70	2,551,318.64	5,651,822.34
	2012-2016	2,413,525.92	1,699,950.32	4,113,476.24
	2017-2021	2,335,000.00	1,002,767.50	3,337,767.50
	2022-2026	2,000,000.00	342,300.00	2,342,300.00
		12,789,918.52	9,097,166.12	21,887,084.64
Water	2002	112,511.11	95,127.06	207,638.17
	2003	114,688.89	89,749.00	204,437.89
	2004	116,866.67	84,259.86	201,126.53
	2005	119,044.44	78,659.66	197,704.10
	2006	121,222.22	72,948.40	194,170.62
	2007-2011	718,622.22	270,367.90	988,990.12
	2012-2016	550,355.56	93,663.26	644,018.82
	2017-2018	140,000.00	9,520.00	149,520.00
		1,993,311.11	794,295.14	2,787,606.25
Sewer	2002	47,170.37	54,233.68	101,404.05
	2003	57,562.96	52,108.00	109,670.96
	2004	57,955.56	49,532.28	107,487.84
	2005	58,348.15	46,936.56	105,284.71
	2006	73,740.74	44,320.80	118,061.54
	2007-2011	390,874.08	171,510.98	562,385.06
	2012-2016	386,118.51	80,606.42	
	2017-2018	140,000.00	9,520.00	149,520.00
		1,211,770.37	508,768.72	1,253,814.16
Grand Total		15,995,000.00	10,400,229.98	25,928,505.05

NOTE 6: LONG-TERM DEBT (Continued)

Temporary unfunded debt at December 31, 2002 consists of bond anticipation notes as follows:

	Purpose	Interest Rates	Amount
General Capital:	Acquisition of Real Estate	2.50%	2,200,000.00
	Various Capital Improvements	2.50%	361,000.00
	Senior Citizen Center	2.50%	570,000.00
	Acquisition of Real Estate	3.00%	1,000,000.00
	Various Capital Improvements	2.22%	152,000.00
Water Capital:	Water Utility Improvements	2.22%	558,000.00
Total Short-Term Debt			4,841,000.00

As of December 31, 2001, debt service requirements on NJ Environmental Infrastructure Trust are:

Sewer	Principal	Interest	Total
2002	48,215.49	39,351.67	87,567.16
2003	73,349.43	40,325.00	113,674.43
2004	72,490.13	38,925.00	111,415.13
2005	71,630.83	37,525.00	109,155.83
2006	70,706.85	36,025.00	106,731.85
2007-2011	386,816.62	155,450.00	542,266.62
2012-2016	451,449.69	103,056.26	554,505.95
2017-2021	434,632.03	35,287.50	469,919.53
	1,609,291.07	485,945.43	2,095,236.50

Of the debt service requirements shown above $800,334 of the proceeds has not been drawn down and is authorized but not issued.

SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.93%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	1,199,000.00	1,199,000.00	
General Debt	17,076,213.52	8,015,000.00	9,061,213.52
Water Debt	2,573,311.11	2,573,311.11	
Sewer Debt	2,837,548.44	2,837,548.44	
	23,686,073.07	14,624,859.55	9,061,213.52

Net Debt $9,061,213.52/Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended
$468,344,262.33 = 1.93%

NOTE 6: LONG-TERM DEBT (Continued)

BORROWING POWER UNDER N.J.S. 40A:2-6

3 1/2% of Equalized Valuation Basis(Municipal)	$16,392,049.18
Net Debt	9,061,213.52
Remaining Borrowing Power	7,422,009.34

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

Cash Receipts from fees, rents, or other charges		1,613,559.95
Deductions:		
Operating and Maintenance Costs	1,180,476.79	
Debt Service per Water Account	249,590.81	
		1,430,067.60
Excess in Revenue		183,492.35

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

Cash Receipts from fees, rents, or other charges		1,129,739.50
Deductions:		
Operating and Maintenance Costs	781,903.39	
Debt Service per Sewer Account	142,846.61	
		924,750.00
Excess in Revenue		204,989.50

NOTE 7: PENSION FUNDS

Description of Plans - All required employees of the Borough are covered by the Public Employees' Retirement System, Police and Fireman's Retirement System or Consolidated Police and Firemen's Pension Fund which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the retirement systems. The reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership

NOTE 7: PENSION FUNDS (Continued)

is generally required for substantially all full-time employees of the State or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/60th of the final average salary. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Police and Fireman's Retirement System (PFRS) – The Police and Firemen's Retirement System was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county or municipal police and fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions of law enforcement or firefighting in the State of New Jersey. Members are eligible for retirement at age 55 with a benefit equal to two percent of final compensation for each year of creditable service up to twenty years. Members with at least twenty years but less than twenty five years of creditable service will receive fifty percent of final compensation. Special retirement is available at any age to those with twenty five years of service credit. The annual benefit calculation is equal to sixty five percent of final compensation plus one percent for each year of creditable service over twenty five years but not to exceed 30 years.

The system provides for employee contributions of 3% for PERS and 8 ½% for the PFRS of employees' annual base salary. Funding by the State and the Borough are determined by the annual actuarial valuation. The State's annual contribution approximates the actuarially determined pension cost for the year. Significant actuarial assumptions used to compute the pension contribution requirements are the same as those used to determine the pension benefit obligation.

Trend Information	2001	2000	1999
Total Payroll	4,694,408.78	4,407,070.74	4,224,428.31
PERS			
Covered Payroll	1,990,596.00	1,792,054.00	1,743,524.00
Employer Contribution	15,090.27	14,071.00	23,080.84
Percentage of Covered Payroll	0.76%	0.79%	1.32%
PFRS			
Covered Payroll Police	1,658,504.00	1,567,558.00	754,465.00
Covered Payroll Fire	544,364.00	508,372.00	519,253.00
Employer Contribution	77,553.00	216,001.41	247,072.80
Percentage of Covered Payroll	3.52%	10.41%	19.40%

NOTE 8: POST-RETIREMENT BENEFITS

In addition to the pension benefits described in Note 7, the Borough provides post-retirement healthcare benefits, to all employees who retire and are already covered by Amerihealth Insurance through their employer. The Borough covers all employee who retire after accumulating 25 years of service. The cost of these benefits are paid monthly by the Borough. As of December 31, 2001, there were 31 employees who met the eligibility requirements for post-retirement healthcare benefits.

NOTE 9: ACCUMULATED ABSENCE BENEFITS

All employees are granted sick and vacation benefits in varying amounts depending on their length of service with the Borough. Police and fire personnel may accumulate unused sick time at a maximum rate of five days per year. Borough employees may carry unused vacation days forward one year if due to the "pressure of work".

The Borough has entered into duly negotiated and approved labor agreement with FMBA # 108 and FOP Local # 76 in regards to accumulated absence benefits.

The total value of compensated absences owed to employees as of December 31, 2001 was $369,088.03. The Borough did not appropriate any funds in the 2002 budget to fund a reserve for accumulated absences.

NOTE 10: DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrator is VALIC.

NOTE 11: RISK MANAGEMENT

The Borough is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Borough maintains commercial insurance coverage for property, liability and surety bonds.

NOTE 12: LITIGATION

It is the Borough of Collingswood Counsel's opinion that there exists no liability or contingent liability that may be against the Borough that would have an adverse effect on the financial position in the future.

SUPPLEMENTARY DATA

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

	Year 2001		Year 2000	
Revenue & Other Income Realized	Amount	%	Amount	%
Fund Balance Utilized	889,229.90	3.24%	1,048,374.58	4.54%
Miscellaneous - From Other Than Local Property Tax Levies	8,945,087.68	32.61%	4,903,492.51	21.24%
Collection of Delinquent Taxes and Tax Title Liens	408,745.30	1.49%	285,608.83	1.24%
Collection of Current Tax Levy	17,011,514.58	62.02%	16,834,681.98	72.91%
Interfund Loans Returned	174,872.35	0.64%	18,258.40	0.08%
Total Income	27,429,449.81	100.00%	23,090,416.30	100.00%
Expenditures				
Budget Appropriations:				
Municipal Purposes	12,005,017.92	46.76%	9,012,183.68	40.23%
County Taxes	4,165,971.42	16.23%	4,000,651.80	17.86%
Local School Taxes	8,909,808.50	34.71%	8,933,735.00	39.88%
Special Improvement Tax	191,222.90	0.74%	200,897.46	0.90%
Interfund Loans Advanced	212,492.32	0.83%	185,109.25	0.83%
Other Expenditures	188,403.72	0.73%	70,990.10	0.30%
Total Expenditures	25,672,916.78	100.00%	22,403,567.29	100.00%
Excess in Revenue	1,756,533.03		686,849.01	
Adjustments to Income before Fund Balance: Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	18,500.00			
	1,775,033.03		686,849.01	
Fund Balance				
Fund Balance January 1	1,281,251.26		1,642,776.83	
	3,056,284.29		2,329,625.84	
Decreased by: Utilization as Anticipated Revenue	889,229.90		1,048,374.58	
Fund Balance December 31	2,167,054.39		1,281,251.26	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - WATER UTILITY OPERATING FUND

	Year 2001		Year 2000	
	Amount	%	Amount	%
Revenue & Other Income Realized				
Fund Balance	196,783.68	12.06%	47,387.25	3.33%
Miscellaneous - From Other Than Water Rents	84,043.61	5.14%	55,387.00	3.87%
Collection of Water Rents	1,352,824.71	82.80%	1,326,662.06	92.80%
Total Income	1,633,652.00	100.00%	1,429,436.31	100.00%
Expenditures				
Budget Appropriations:				
Operating	1,172,554.00	76.30%	1,174,742.00	79.63%
Capital Improvements	20,000.00	1.30%		
Debt Service	249,590.81	16.24%	256,755.25	17.40%
Statutory Expenditures	94,638.87	6.16%	43,220.00	2.93%
Other Expenditures			540.00	0.04%
Total Expenditures	1,536,783.68	100.00%	1,475,257.25	100.00%
Excess in Revenue	96,868.32			
Deficit in Revenue			45,820.94	
Operating Deficit to be Raised in Budget of Succeeding Year			45,820.94	
Fund Balance				
Fund Balance January 1	406,137.08		453,524.33	
	503,005.40		453,524.33	
Decreased by:				
Utilization as Anticipated Revenue	196,783.68		47,387.25	
Fund Balance December 31	306,221.72		406,137.08	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	Year 2001		Year 2000	
	Amount	%	Amount	%
Revenue & Other Income Realized				
Surplus Anticipated	173,611.98	15.31%	111,050.42	11.23%
Miscellaneous - From Other Than Sewer Rents	60,848.35	5.36%	47,729.29	4.83%
Collection of Water Rents	899,755.35	79.33%	829,753.13	83.94%
Total Income	1,134,215.68	100.00%	988,532.84	100.00%
Expenditures				
Budget Appropriations:				
Operating	712,800.00	70.54%	668,842.37	78.89%
Capital Improvements	45,000.00	4.45%	45,000.00	5.31%
Debt Service	179,743.27	17.79%	104,192.00	12.29%
Statutory Expenditures	72,965.37	7.22%	29,750.00	3.51%
Total Expenditures	1,010,508.64	100.00%	847,784.37	100.00%
Excess in Revenue	123,707.04		140,748.47	
Adjustments to Income before Fund Balance:				
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	36,896.66		31,719.37	
Statutory Excess to Fund Balance	160,603.70		172,467.84	
Fund Balance				
Fund Balance January 1	229,821.15		168,403.73	
	390,424.85		340,871.57	
Decreased by:				
Utilization as Anticipated Revenue	173,611.98		111,050.42	
Fund Balance December 31	216,812.87		229,821.15	

COMPARATIVE STATEMENT OF TAX RATE INFORMATION

Tax Rate	2001	2000	1999
without Special Improvement	3.540	3.490	3.330
Apportionment of Tax Rate			
Municipal	0.843	0.836	0.779
County	0.859	0.823	0.791
Local School	1.838	1.831	1.760
Special Improvement	0.251	0.251	
Assessed Valuation			
2001	484,979,260.00		
2000		488,312,004.00	
1999			491,353,281.00

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.

		Currently	
Year	Tax Levy	Cash Collections	Percentage of Collections
2001	17,376,060.69	17,011,514.58	97.90%
2000	17,251,924.44	16,834,681.98	97.58%
1999	16,393,752.04	16,079,531.78	98.08%

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.

December 31 Year	Amount of Tax Title Liens	Delinquent Taxes	Amount of Total Delinquent	Percentage of Tax Levy
2001	76,771.53	232,504.71	309,276.24	1.78%
2000	148,441.44	371,004.65	519,446.09	3.01%
1999	75,440.36	364,928.66	440,369.02	2.69%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

Year	Amount
2001	175,700.00
2000	175,800.00
1999	18,950.00

COMPARISON OF WATER LEVIES

Year	Levy	Cash Collections
2001	1,352,039.44	1,350,659.07
2000	1,328,061.88	1,326,662.06
1999	1,555,436.94	1,519,662.05

COMPARISON OF SEWER LEVIES

Year	Levy	Cash Collections
2001	897,858.50	898,337.51
2000	832,647.50	829,753.13
1999	729,725.50	709,059.16

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year	Balance December 31	Utilized in Budget of Succeeding Year
	2001	2,167,054.39	1,712,438.49
	2000	1,281,251.26	889,229.90
Current Fund	1999	1,642,776.83	1,048,374.58
	1998	1,271,821.23	693,874.58
	1997	1,663,848.08	994,994.40
	2001	306,221.72	134,162.30
	2000	406,137.08	196,783.68
Water Operating	1999	453,524.33	47,387.25
	1998	251,156.70	80,811.00
	1997	362,348.94	153,800.97
	2001	216,812.87	166,829.87
	2000	229,821.15	173,611.98
Sewer Operating	1999	168,403.73	111,050.42
	1998	127,758.65	36,728.87
	1997	209,410.17	117,371.61

OFFICIALS IN OFFICE AND SURETY BONDS
DECEMBER 31, 2001

Name	Title		Amount of Bond
Maurice J. Maley	Mayor		
Louis Cappelli, Jr.	Commissioner		
Joan C. Leonard	Commissioner		
Bradford C. Stokes	Business Administrator		
Remington & Vernick	Engineer		
Joseph Nardi	Solicitor		
Patrick Abusi	Chief Financial Officer		50,000.00
Sandra Powell	Finance Officer		25,000.00
Alice Marks	Borough Clerk		25,000.00
Margaret Howard	Tax Collector		225,000.00
Keith Hastings	Water & Sewer Supervisor		100,000.00
Robert T. Zane	Magistrate	B	40,000.00
Mary Ann Pearce	Court Administrator	B	40,000.00
Kathy Harrington	Assistant Court Administrator	B	40,000.00

All bonds were written with Fidelity and Deposit Company of Maryland

(B) A blanket bond was written for Municipal Court personnel, with coverage of $40,000.

CURRENT FUND

EXHIBIT A-4

SCHEDULE OF CASH - TREASURER

	Ref.	
Balance December 31, 2000	A	1,911,637.30
Increased by Receipts:		
Petty Cash		250.00
Grants Receivable	A-7	3,131,542.58
Taxes Receivable	A-8	17,069,229.22
Tax Title Liens Receivable	A-9	123,251.53
Prepaid Taxes		75,923.12
Tax Overpayments		34,593.69
Revenue Accounts Receivable	A-11	5,019,206.60
Due from General Capital Fund		224,583.76
Due Trust Other		4,623.00
Due Horticulture Society		6,435.00
Due CCMUA		116,253.05
Reserve for Maintenance of Free Public Library		16,967.00
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-16	167,550.00
Due State of New Jersey: Marriage License Fees		2,475.00
Reserve for Grants - Unappropriated	A-19	7,869.01
Due from Special Improvement District		63,988.20
Total Receipts		26,064,740.76
		27,976,378.06

EXHIBIT A-4
(Continued)

SCHEDULE OF CASH - TREASURER

	Ref.	
2001 Budget Appropriations	A-3	8,044,623.88
2000 Appropriation Reserves	A-14	239,221.49
Encumbrances Payable	A-15	45,870.34
Reserve for Grants - Appropriated	A-18	3,346,930.96
Tax Overpayments Refunded		14,232.26
Due Trust Fund		1,754.44
Due General Capital Fund		50,000.00
Reserve for Maintenance of Free Public Library		17,003.26
Due State of New Jersey: Marriage License Fees		2,525.00
Special Improvement District Tax		200,897.46
Due from Special Improvement District		65,709.50
Due Horitculture Society		6,435.00
County Taxes		4,114,066.15
County Open Space Taxes		47,934.72
Due County for Added Taxes		2,115.72
Local District School Tax	A-17	9,061,643.00
		25,260,963.18
Balance December 31, 2001	A	2,715,414.88

EXHIBIT A-5

SCHEDULE OF CURRENT FUND CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	
Balance December 31, 2001	A-4	2,715,414.88
Increased by Receipts:		
Cash Receipts Record		10,076,001.57
		12,791,416.45
Decreased by Disbursements:		
Cash Disbursements Record		10,596,001.69
Balance May 31, 2002	A-5	2,195,414.76

Cash Reconciliation - May 31, 2002

	Ref.	
Balance per Statement		
1st Colonial National Bank		2,170,079.86
Add: Deposit in Transit		28,587.33
		2,198,667.19
Less: Outstanding Checks		3,252.43
Balance May 31, 2002	A-5	2,195,414.76

EXHIBIT A-6

SCHEDULE OF CHANGE FUNDS

Office		Balance Dec. 31, 2000	Balance Dec. 31, 2001
Borough Clerk		50.00	50.00
Tax Collector		150.00	150.00
Municipal Court		25.00	25.00
Construction Code Official		50.00	50.00
		275.00	275.00
	Ref.	A	A

EXHIBIT A-7

SCHEDULE OF GRANTS RECEIVABLE

Grant	Balance Dec. 31, 2000	2001 Budget Revenue Realized	Received	Transfer from Unappropriated	Balance Dec. 31, 2001
Federal Grants:					
BJA - Local Law Enforcement Grant		14,271.00	14,271.00		
FEMA - Hazardous Mitigation Grant		2,324,384.00	2,233,072.00		91,312.00
COPS in School	125,000.00				125,000.00
Occupant Protection Project	6,222.06	13,137.00	13,214.14		6,144.92
State Grants:					
Clean Communities Program		21,400.00	21,400.00		
N.J. Transportation Trust Fund	175,500.00	180,000.00	122,216.63		233,283.37
Municipal Alliance Youth Service	7,332.00	15,650.00	18,565.00		4,417.00
Police Body Armor		3,031.52		3,031.52	
Drunk Driving Enforcement Fund		1,496.62	882.92	613.70	
Safe and Secure Program	60,000.00	90,000.00	90,000.00		60,000.00
Department of Environmental Protection - BWR Contract	36,798.38				36,798.38
Neighborhood Preservation	81,500.00	100,000.00	101,192.00		80,308.00
Delaware Bay Authority - Browning Road	10,000.00				10,000.00
Special Purpose Grant		500,000.00	500,000.00		
Aggressive Drivers	40.00	9,600.00	9,440.00		200.00
Recycling Tonnage		7,288.89	7,288.89		
Other Grants:					
County of Camden - Richey Avenue		250,000.00			250,000.00
	502,392.44	3,530,259.03	3,131,542.58	3,645.22	897,463.67
Ref.	A	A-2	A-4	A-19	A

EXHIBIT A-8

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2000	2001 Levy	Added Taxes	Collected 2000	Collected 2001	Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2001
1989	2,279.80						2,279.80		
1990	2,480.73						2,480.73		
1991	2,390.92						2,390.92		
1992	2,454.77						2,454.77		
1993	3,662.23						2,603.80	1,058.43	
1994	4,883.61						2,810.43	2,073.18	
1995	5,867.53						3,653.79	2,213.74	
1996	9,516.66				1,033.01		3,362.24	2,299.53	2,821.88
1997	8,786.59					25.99	3,472.00	2,374.60	2,914.00
1998	7,253.39				1,248.37		3,566.08	2,438.94	
1999	13,523.13				4,839.96		5,814.18	2,171.16	697.83
2000	307,905.29		26,394.66		275,463.64	2,882.80	51,877.27	2,958.03	1,118.21
	371,004.65		26,394.66		282,584.98	2,908.79	86,766.01	17,587.61	7,551.92
2001		17,376,060.69		50,009.92	16,957,070.96	4,433.70	112,895.93	26,697.39	224,952.79
	371,004.65	17,376,060.69	26,394.66	50,009.92	17,239,655.94	7,342.49	199,661.94	44,285.00	232,504.71
Ref.	A							A-9	A

	Ref.	
Cash	A-4	17,069,229.22
Due State of New Jersey	A-16	170,426.72
		17,239,655.94

EXHIBIT A-8
(Continued)

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

	Ref.			
Tax Yield				
General Purpose Tax:				
Business Personalty Tax		161,900.48		
General Property Tax		17,006,365.32		
Special Improvement District		191,222.90		
			17,359,488.70	
Added Taxes (54:4-63.1 et seq.)			16,571.99	
				17,376,060.69
Tax Levied				
Local District School Tax (Abstract)	A-17		8,909,808.50	
County Taxes:				
County Tax (Abstract)		4,114,066.15		
County Open Space (Abstract)		47,934.72		
Due County for Added Taxes (54:4-63.1 et seq.)		3,970.55		
Total County Taxes			4,165,971.42	
Special Improvement District			191,222.90	
Local Tax for Municipal Purposes	A-2	4,089,409.00		
Add: Additional Taxes Levied		19,648.87		
			4,109,057.87	
				17,376,060.69

EXHIBIT A-9

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	Ref.		
Balance December 31, 2000	A		148,441.44
Increased by:			
Transfers from Taxes Receivable	A-8	44,285.00	
Interest and Costs Accrued by Sale of December 20, 2001		15,936.75	
			60,221.75
			208,663.19
Decreased by:			
Receipts	A-4	123,251.53	
Canceled		8,640.13	
			131,891.66
Balance December 31, 2001	A		76,771.53

EXHIBIT A-10

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)

	Ref.	
Balance December 31, 2000	A	175,800.00
Decreased by:		
Property Dedicated to Borough Facilities		100.00
Balance December 31, 2001	A	175,700.00

EXHIBIT A-11

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2000	Accrued in 2001	Collected	Balance Dec. 31, 2001
Miscellaneous Revenue Anticipated				
Licenses: Other		5,957.00	5,957.00	
Fees and Permits: Other		30,780.50	30,780.50	
Fines and Costs:				
Municipal Court	15,258.42	221,325.90	219,873.41	16,710.91
Interest and Costs on Taxes		107,879.92	107,879.92	
Reserve for Parking Meters		43,000.00	43,000.00	
Department of Recreation Fees		48,761.00	48,761.00	
Tax Searches		430.00	430.00	
Fire Code Fees		32,035.00	32,035.00	
Pool Tags		65,108.90	65,108.90	
Resale Inspection Fees		7,275.00	7,275.00	
Rental Inspections		17,512.00	17,512.00	
Ambulance Fundraising		1,220.00	1,220.00	
Delaware River Port Authority		30,000.00	30,000.00	
Energy Receipts Tax		605,722.00	605,722.00	
Legislative Municipal Block Grant		66,900.00	66,900.00	
Supp. Energy Receipts		33,452.00	33,452.00	
Consolidated Municipal Property Tax Relief		862,358.00	862,358.00	
Uniform Construction Code		65,037.00	65,037.00	
Ambulance - Third Party Billing		1,015.65	1,015.65	
Collingswood Ambulance Service Membership		10,885.00	10,885.00	
In Lieu of Taxes - Parkview		819,000.00	819,000.00	
In Lieu of Taxes - Methodist Home		30,600.00	30,600.00	
In Lieu of Taxes - Collingswood Arms		12,321.00	12,321.00	
Uniform Fire Safety		8,900.89	8,900.89	
Housing Inspection Fees		24,535.00	24,535.00	
Lease Payments - Sutton		116,111.38	116,111.38	
Community Sponsored Events		56,618.94	56,618.94	
Zane School Rent		211,899.00	211,899.00	
Miscellaneous Revenue Not Anticipated				
Miscellaneous		344.62	344.62	
Senior Citizen & Veterans Administration Fee		3,351.00	3,351.00	
B.I.D. Liens		289.27	289.27	
Haddon Twp Fire		15,278.90	15,278.90	
Interest on Investments		109,261.76	109,261.76	
Development Regs		465.00	465.00	
NSF Check Fees		125.00	125.00	
Reimbursement CDBG		157,353.71	157,353.71	
Sale of Borough Property		1,093,057.14	1,093,057.14	
Recycled Newspapers		1,709.38	1,709.38	
Clean-up Charges		9,455.93	9,455.93	
Knight Park Donation		4,500.00	4,500.00	
Refunds		16,129.87	16,129.87	
CPR Registration Fees		400.00	400.00	
Miscellaneous Revenue		21,808.14	21,808.14	
Cat Licenses		216.00	216.00	
Duplicate Bill Fee		50.00	50.00	
Photocopy Fees		1,561.25	1,561.25	
Cable TV Franchise Fee		39,608.34	39,608.34	
In Lieu of Taxes - Other		4,667.50	4,667.50	
DMV Inspection Fines		4,385.20	4,385.20	
	15,258.42	5,020,659.09	5,019,206.60	16,710.91
Ref.	A		A-4	A

EXHIBIT A-12

SCHEDULE OF DEFERRED CHARGES

		Added in 2001	Balance Dec. 31, 2001
Emergency Authorizations (40A:4-47)		18,500.00	18,500.00
Expenditure Without Appropriation:			
Senior Center Expenses		5,312.64	5,312.64
Purchase of Property		128,000.00	128,000.00
		151,812.64	151,812.64
	Ref.	A:A-3	A

EXHIBIT A-13

SCHEDULE OF DEFERRED CHARGES
N.J.S. 40A:4-55 SPECIAL EMERGENCY - TAX MAP AND REVALUATION PROGRAM AND MASTER PLAN

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2000	Reduced in 2001	Balance Dec. 31, 2001
7-21-97	Revaluation of Real Property	230,000.00	46,000.00	92,000.00	46,000.00	46,000.00
9-2-97	Preparation of Master Plan	110,000.00	22,000.00	44,000.00	22,000.00	22,000.00
				136,000.00	68,000.00	68,000.00
			Ref.	A	A-3	A

EXHIBIT A-14

SCHEDULE OF 2000 APPROPRIATION RESERVES

	Balance Dec. 31, 2000	Balance After Transfers	Paid or Charged	Balance Lapsed
Salary & Wages				
Police	110,795.61	80,645.61	1,164.00	79,481.61
Fire	6,699.23	6,699.23	1,926.66	4,772.57
Streets & Highways	2,486.19	2,486.19	1,283.32	1,202.87
Knight Park	1,236.97	1,236.97	390.00	846.97
Robert's Pool	1,267.09	1,267.09	195.75	1,071.34
Construction Code	3,573.06	3,573.06	2,189.20	1,383.86
Other Expenses				
Mayor and Commissioners	1,150.33	1,150.33	294.00	856.33
Municipal Clerk:				
Printing and Advertising	3,684.13	3,684.13	1,584.78	2,099.35
Legal Services and Costs	6,359.79	6,359.79	6,051.00	308.79
Administrator's Office	4.08	8,004.08	8,004.08	
Financial Administration	11,436.49	11,436.49	10,408.01	1,028.48
Audit Services	3,500.00	3,500.00	3,500.00	
Shade Tree	104.80	904.80	836.15	68.65
Collection of Taxes	1.00	50.00	21.18	28.82
Group Insurance for Employees	50,390.94	50,691.94	49,897.77	794.17
Liability Insurance	1,133.94	1,133.94	905.00	228.94
Public Building and Grounds	374.87	4,174.87	2,707.24	1,467.63
Storm Sewers	1,548.65	1,548.65	1,155.00	393.65
Engineering Services & Costs	14,910.30	14,910.30	1,747.50	13,162.80
Streets & Highways	182.15	6,182.15	1,660.52	4,521.63
Fire	1,746.87	1,746.87	1,327.56	419.31
Parks & Playgrounds	8,566.26	8,566.26	1,783.39	6,782.87
Celebration of Public Event, Anniversary or Holiday	9,196.98	9,196.98	8,683.10	513.88
Uniform Fire Safety	234.94	234.94	85.40	149.54
Historical Building - Knight Homestead	1,298.09	1,298.09	100.00	1,198.09
Zane School	1,345.69	1,845.69	1,842.93	2.76
Zoning Commission	388.50	388.50	40.40	348.10
Police	149.76	10,149.76	8,455.51	1,694.25
Ambulance	49,169.65	49,169.65	48,728.34	441.31
Nuisance Inspector	5,708.03	5,708.03	18.57	5,689.46
Animal Regulation	7,168.00	7,168.00	3,780.00	3,388.00
Solid Waste Disposal	75,590.84	75,590.84	21,292.50	54,298.34
Robert's Pool	7,105.66	7,105.66	42.80	7,062.86
Vehicle Maintenance	4,800.66	4,800.66	3,197.18	1,603.48
Construction Code	1,153.37	1,153.37	132.48	1,020.89
Electricity	19,010.46	19,010.46	898.27	18,112.19
Street Lighting	36,034.46	36,034.46	22,668.60	13,365.86
Telephone	7,259.67	7,259.67	3,871.43	3,388.24
Gas (Natural or Propane)	4,116.47	4,116.47	3,310.17	806.30
Fuel Oil	1,534.60	2,234.60	2,219.81	14.79
Telecommunication Costs	2,886.05	2,886.05	305.22	2,580.83
Gasoline	2,468.75	2,468.75	2,322.70	146.05
Contingent	381.57	381.57	172.21	209.36
Municipal Court	5,374.28	5,374.28	2,709.46	2,664.82
Maintenance of Free Public Library	13,602.60	13,602.60	5,312.30	8,290.30
Other Accounts - No Change	79,121.11	79,121.11		79,121.11
	566,252.94	566,252.94	239,221.49	327,031.45
Ref.	A		A-4	A-1

EXHIBIT A-15

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	Regular Fund	Grant Fund
Balance December 31, 2000	A	37,323.83	8,546.81
Increased by:			
Charges to 2001 Appropriations	A-3	83,056.42	
Charges to Reserve for Grants - Appropriated	A-18		75,829.66
		120,380.25	84,376.47
Decreased by:			
Payments	A-4	37,323.53	8,546.81
Canceled	A-1	0.30	
		37,323.83	8,546.81
Balance December 31, 2001	A	83,056.42	75,829.66

EXHIBIT A-16

SCHEDULE OF DUE STATE OF NEW JERSEY SENIOR CITIZEN AND VETERANS DEDUCTIONS

	Ref.		
Balance December 31, 2000	A		7,863.45
Increased by:			
Receipts	A-4		167,550.00
			175,413.45
Decreased by:			
2001 Deductions Per Tax Duplicate		174,050.00	
2001 Deductions Allowed by Collector		4,400.00	
2001 Deductions Disallowed by Collector		(8,023.28)	
	A-8	170,426.72	
2000 Deductions Disallowed by Collector	A-1	(26,894.66)	
			143,532.06
Balance December 31, 2001	A		31,881.39

EXHIBIT A-17

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	Ref.	
Increased by:		
Levy - Calendar Year	A-8	8,909,808.50
Decreased by:		
Payments	A-4	9,061,643.00
Balance December 31, 2001	A	(151,834.50)

EXHIBIT A-18

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	Balance Dec. 31, 2000	Transferred from 2001 Budget Appropriation	Paid or Charged	Encumbered	Overexpended	Balance Dec. 31, 2001
Federal Grants:						
Holiday Safety Enforcement Project						
BJA - Local Law Enforcement	11,602.14	15,857.00	17,738.59			9,720.55
COPS More	1,828.54					1,828.54
COPS in School	110,437.65		39,589.94			70,847.71
Occupant Protection Projects	1,422.06	13,137.00	12,494.14			2,064.92
FEMA - Hazard Mitigation Grant		2,324,384.00	2,321,499.71			2,884.29
State Grants:						
N.J. Transportation Trust Fund		180,000.00	165,365.74			14,634.26
Aggressive Drivers	40.00	9,600.00	9,440.00			200.00
Municipal Court Alcohol Education	893.49					893.49
Drunk Driving Enforcement Fund	699.01	1,496.62	2,097.85			97.78
Clean Communities	31.82	21,400.00	21,400.00			31.82
Municipal Alliance	4,052.21	19,562.50	10,441.89	1,030.66		12,142.16
Recycling Tonnage		7,288.89				7,288.89
Safe and Secure		90,000.00	90,000.00			
Police Body Armor		3,031.52	3,031.52			
Neighborhood Preservation	70,261.29	100,000.00	175,791.58	24.00	5,554.29	
Special Purpose Grant - Richey Avenue		500,000.00	447,025.00			52,975.00
Other Grants:						
County of Camden - Richey Avenue		250,000.00	31,015.00	74,775.00		144,210.00
	201,268.21	3,535,757.53	3,346,930.96	75,829.66	5,554.29	319,819.41
Ref.	A	A-3	A-4	A-15	A	A

EXHIBIT A-19

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	Balance Dec. 31, 2000	Receipts	Budgeted	Balance Dec. 31, 2001
Drunk Driving Enforcement Fund	613.70		613.70	
Police Body Armor	3,031.52		3,031.52	
Recycling Tonnage Grant		7,869.01		7,869.01
	3,645.22	7,869.01	3,645.22	7,869.01
Ref.	A	A-4	A-7	A

TRUST FUND

EXHIBIT B-1

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Animal Control Trust Fund		Trust - Other	
Balance December 31, 2000	B		89.80		251,068.15
Increased by Receipts:					
Interest Earned		63.91		6,585.31	
Dog License Fees:					
Municipal Share	B-5	2,258.20			
State Share		594.80			
Commodity Resale				46,073.00	
Parking Meter Fees				41,831.50	
Planning Board Escrow Fees				9,544.28	
Zoning Board Escrow Fees				5,025.00	
Off-Duty Police				31,560.00	
Unemployment Compensation				5,608.66	
Municipal Alliance				11,590.45	
Uniform Fire Penalty Money				10,441.35	
Donations Police Equipment				4,000.00	
POAA Fees				2,688.50	
Rooming House Escrow				400.00	
Due Current Fund				277,987.31	
			2,916.91		453,335.36
			3,006.71		704,403.51

EXHIBIT B-1
(Continued)

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Animal Control Trust Fund		Trust - Other	
Decreased by Disbursements:					
Expenditures Under					
RS4:19-15.11	B-5	200.00			
NJ State Department of Health		588.20			
Due Current Fund		29.42		316,170.13	
Parking Meter Fees				43,000.00	
Planning Board Escrow Fees				9,610.53	
Zoning Board Escrow Fees				3,775.00	
Unemployment Compensation				9,625.12	
Uniform Fire Penalty Money				4,343.50	
Public Defender				200.00	
POAA Fees				3,953.00	
Donations Police Equipment				4,000.00	
Commodity Resale				35,804.09	
Off-Duty Police				33,880.00	
Municipal Alliance				14,572.09	
Donation - Police Body Armor				13,105.63	
Law Enforcement Forfeiture				1,285.32	
			817.62		493,324.41
Balance December 31, 2001	B		2,189.09		211,079.10

EXHIBIT B-2

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	Dog License Fund	Trust Other
Balance December 31, 2001	B-1	2,189.09	211,079.10
Increased by Receipts:			
Cash Receipts Record		2,414.73	88,311.72
		4,603.82	299,390.82
Decreased by Disbursements:			
Cash Disbursements Record		601.65	39,140.69
Balance May 31, 2002	B-2	4,002.17	260,250.13

Cash Reconciliation - May 31, 2002

	Ref.	Dog License Fund	Trust Other
Balance per Statement			
Hudson United Bank			52,926.60
1st Colonial National Bank		4,002.17	97,950.06
Cash Management			109,523.47
		4,002.17	260,400.13
Less: Outstanding Checks			150.00
Balance May 31, 2002	B-2	4,002.17	260,250.13

EXHIBIT B-3

SCHEDULE OF TRUST FUND CASH - COLLECTOR

	Ref.		
Balance December 31, 2000	B		152,093.06
Increased by:			
Deposits for Redemption of Tax Sale Certificates		724,076.93	
Tax Sale Premiums	B-6	2,250.00	
Interest Earned		2,338.50	
			728,665.43
			880,758.49
Decreased by:			
Tax Sale Premiums	B-6	37,225.00	
Due Current Fund		954.73	
Deposits for Redemption of Tax Sale Certificates		814,223.85	
			852,403.58
Balance December 31, 2001	B		28,354.91

EXHIBIT B-4

SCHEDULE OF TRUST FUND CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - COLLECTOR

	Ref.	
Balance December 31, 2001	B-3	28,354.91
Increased by Receipts:		
Cash Receipts Record		242,459.18
		270,814.09
Decreased by Disbursements:		
Cash Disbursements Record		243,288.78
Balance May 31, 2002	B-4	27,525.31

Cash Reconciliation - May 31, 2002

Balance per Statement		
1st Colonial National Bank		47,367.01
Less: Outstanding Checks		19,841.70
Balance May 31, 2002	B-4	27,525.31

EXHIBIT B-5

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

	Ref.	
Balance December 31, 2000	B	89.80
Increased by:		
Municipal Share of Dog License Fees	B-1	2,258.20
		2,348.00
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Cash	B-1	200.00
Balance December 31, 2001	B	2,148.00

License Fees Collected

Year	Amount
1999	2,444.20
2000	2,499.20
	4,943.40

EXHIBIT B-6

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE PREMIUMS

	Ref.	
Balance December 31, 2000	B	52,900.00
Increased by:		
Tax Sale Premiums	B-3	2,250.00
		55,150.00
Decreased by:		
Refunds - Tax Sale Certificates Redeemed	B-3	37,225.00
Balance December 31, 2001	B	15,675.00

GENERAL CAPITAL FUND

EXHIBIT C-1

SCHEDULE OF FUND BALANCE - GENERAL CAPITAL FUND

	Ref.	
Balance December 31, 2000	C	2,581.05
Increased by:		
Premiums on Notes Issued	C-2	11,475.00
Balance December 31, 2001	C	14,056.05

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

	Ref.		
Balance December 31, 2000	C		3,213,480.06
Increased by:			
Interest Earned		73,393.60	
Bond Anticipation Notes	C-9	7,414,000.00	
Due from Current Fund		155,326.00	
Due from Water Operating Fund		350,000.00	
Due from Water Capital Fund		558,000.00	
Due from Sewer Operating Fund		150,000.00	
Premiums on Notes Issued	C-1	11,475.00	
Reserve for Debt Service		118,562.59	
Refunds	C-7	83,401.95	
			8,914,159.14
			12,127,639.20
Decreased by:			
Improvement Authorizations	C-7	2,897,908.30	
Bond Anticipation Notes	C-9	7,262,000.00	
Reserve for Library Construction		3,040.57	
Reserve for Debt Service		118,710.00	
Encumbrances Payable		132,157.38	
Due Current Fund		329,909.76	
Due from Water Operating Fund		350,000.00	
Due from Water Capital Fund		558,000.00	
Due from Sewer Operating Fund		150,000.00	
			11,801,726.01
Balance December 31, 2001	C		325,913.19

EXHIBIT C-3

SCHEDULE OF GENERAL CAPITAL CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	
Balance December 31, 2001	C-2	325,913.19
Increased by:		
Cash Receipts Record		6,316,550.78
		6,642,463.97
Decreased by:		
Cash Disbursements Record		3,432,799.71
Balance May 31, 2002	C-3	3,209,664.26

Cash Reconciliation - May 31, 2002

Balance per Statement		
Hudson United Bank		
Commerce Bank		97,167.50
1st Colonial National Bank		3,112,496.76
Balance May 31, 2002	C-3	3,209,664.26

EXHIBIT C-4

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2000	C	40,506.66
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-7	8,000.00
Balance December 31, 2001	C	32,506.66

ANALYSIS OF GENERAL CAPITAL FUND CASH

Ordinance Number		Balance Dec. 31, 2000	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Disbursements: Bond Anticipation Notes	Transfers: From	Transfers: To	Balance Dec. 31, 2001
	Fund Balance	2,581.05		11,475.00						14,056.05
	Reserve for Library Construction	3,040.57				3,040.57				
	Capital Improvement Fund	40,506.66						8,000.00		32,506.66
	Overexpenditure of Ordinance							21,891.44		(21,891.44)
	Due Current Fund	181,489.62		228,719.60		329,909.76		370.24		79,929.22
	Encumbrances Payable	132,157.38				132,157.38			7,032.05	7,032.05
	Due Water Capital Fund		558,000.00			558,000.00				
	Due Water Operating Fund			350,000.00		350,000.00				
	Due Sewer Operating Fund			150,000.00		150,000.00				
	Reserve for Debt Service			118,562.59		118,710.00			370.24	222.83
	Improvement Authorizations:									
1024	Various Improvements	49.32								49.32
1068	Fire Station Improvements	6,521.82			6,521.82					
1070	Fire Department Equipment	15,417.02								15,417.02
1091	Various Capital Improvements	10.00								10.00
1092	Acquisition of Real Estate	1,116.56								1,116.56
1114	Acquisition, Construction, Repair and Installation, of Various Capital Improvements	178,410.04			102,919.38			3,362.00		72,128.66
1160	Various Capital Improvements	21,947.89			17,011.88			2,680.00		2,256.01
1161	Redevelopment Project	21,248.45			569.79					20,678.66
1190	Senior Citizen Community Center	658,015.25			657,623.09					392.16
1195	Acquisition of Real Estate	452,567.46	2,200,000.00		452,567.46		2,200,000.00			
1214	Various Capital Improvements	139,790.98	361,000.00		10,083.89		361,000.00	95,000.00		34,707.09
1216	Senior Citizen Center	600,000.00	570,000.00		598,625.95		570,000.00			1,374.05
1222	Acquisition of Real Estate	758,609.99	1,000,000.00		758,609.99		1,000,000.00			
	Reapproriation of Unexpended Balances of Previous Ordinances per 40A:2-39 by Resolution for the Purpose of: Redevelopment Areas				116,891.44				116,891.44	
1266	Various Capital Improvements		152,000.00		93,081.66			990.05	8,000.00	65,928.29
		3,213,480.06	4,841,000.00	858,757.19	2,814,506.35	1,641,817.71	4,131,000.00	132,293.73	132,293.73	325,913.19
	Ref.	C	C-9	C-2	C-7	C-2	C-9			C

EXHIBIT C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	2001 Authorizations	Balance Dec. 31, 2001	Analysis of Balance Dec. 31, 2001: Financed by Bond Anticipation Notes	Analysis of Balance Dec. 31, 2001: Unexpended Improvement Authorizations
1160	Various Capital Improvements	3,295.00		3,295.00		3,295.00
1195	Acquisition of Real Estate	2,200,000.00		2,200,000.00	2,200,000.00	
1214	Various Capital Improvements	361,000.00		361,000.00	361,000.00	
1216	Senior Citizen Center	570,000.00		570,000.00	570,000.00	
1222	Acquisition of Real Estate	1,000,000.00		1,000,000.00	1,000,000.00	
1266	Redevelopment Areas		152,000.00	152,000.00	152,000.00	
		4,134,295.00	152,000.00	4,286,295.00	4,283,000.00	3,295.00
	Ref.	C	C-7	C	C-9	

	Ref.	
Improvement Authorizations - Unfunded	C-7	105,304.43
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:		
Ordinance 1214	C-5	34,707.09
Ordinance 1216	C-5	1,374.05
Ordinance 1266	C-5	65,928.29
		3,295.00

EXHIBIT C-7

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2000 Funded	Balance Dec. 31, 2000 Unfunded	2001 Authorizations Capital Improvement Fund	2001 Authorizations Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Encumbered	Refund	Reappropriate	Overexpended	Balance Dec. 31, 2001 Funded	Balance Dec. 31, 2001 Unfunded
1024	Various Improvements	2-1-93	1,180,500.00	49.32									49.32	
1068	Fire Station Improvements	1-17-95	33,092.78	6,521.82				6,521.82						
1070	Fire Department Equipment	1-17-95	88,092.78	15,417.02									15,417.02	
1091	Various Capital Improvements	2-5-96	404,000.00	10.00									10.00	
1092	Acquisition of Real Estate	2-20-96	8,000,000.00	1,116.56									1,116.56	
1114	Various Capital Improvements	1-21-97	1,494,000.00	178,410.04				102,919.38	3,362.00				72,128.66	
1160	Various Capital Improvements	8-10-98	390,500.00	21,947.89	3,295.00			17,011.88	2,680.00				2,256.01	3,295.00
1161	Redevelopment Project	8-10-98	1,800,000.00	21,248.45				23,751.23		23,181.44			20,678.66	
1190	Senior Citizen Community Center	7-6-99	1,300,000.00	658,015.25				657,623.09					392.16	
1195	Acquisition of Real Estate	9-8-99	2,200,000.00		452,567.46			461,306.32		8,738.86				
1214	Various Capital Improvements	4-3-00	380,000.00		139,790.98			10,083.89			(95,000.00)			34,707.09
1216	Construction & Equipping of a Senior Citizen Center	4-3-00	600,000.00	30,000.00	570,000.00			627,205.95		28,580.00				1,374.05
1222	Acquisition of Real Estate	7-3-00	1,000,000.00		758,609.99			761,511.64		2,901.65				
	Reappropriation of Unexpended Balances of Previous Ordinances per 40A:2-39 by Resolution for Purpose of: Redevelopment Areas	5-7-01	95,000.00					136,891.44		20,000.00	95,000.00	21,891.44		
1266	Various Capital Improvements	8-6-01	160,000.00			8,000.00	152,000.00	93,081.66	990.05					65,928.29
				932,736.35	1,924,263.43	8,000.00	152,000.00	2,897,908.30	7,032.05	83,401.95		21,891.44	112,048.39	105,304.43
			Ref.	C	C	C-4	C-6	C-2	C	C-2		C	C	C

EXHIBIT C-8

SCHEDULE OF GENERAL CAPITAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2001 Date	Amount	Interest Rate	Balance Dec. 31, 2000	Reduced in 2001	Balance Dec. 31, 2001
General Improvement Bonds	8-1-93	1,640,000.00	8-1-02	75,318.52	5.10%			
			8-1-03	77,748.15	5.10%			
			8-1-04	80,177.78	5.10%			
			8-1-05	82,607.41	5.10%			
			8-1-06	85,037.04	5.10%			
			8-1-07	89,896.30	5.10%			
			8-1-08	94,755.56	5.15%			
			8-1-09	99,614.81	5.20%			
			8-1-10	104,474.07	5.25%			
			8-1-11/13	111,762.96	5.30%	1,197,807.41	72,888.89	1,124,918.52
General Obligation Bonds (R)	7-15-96	2,900,000.00	7-15-2002/2006	200,000.00	8.25%			
			7-15-2007/2011	220,000.00	8.25%	2,220,000.00	170,000.00	2,050,000.00
General Obligation Bonds	7-15-96	4,800,000.00	7-15-02	10,000.00	4.900%			
			7-15-03	10,000.00	5.000%			
			7-15-04	10,000.00	5.100%			
			7-15-05	10,000.00	5.200%			
			7-15-06	10,000.00	5.300%			
			7-15-07	10,000.00	5.400%			
			7-15-08	10,000.00	5.500%			
			7-15-09	10,000.00	5.600%			
			7-15-10	10,000.00	5.650%			
			7-15-11	10,000.00	5.700%			
			7-15-12/16	260,000.00	5.800%			
			7-15-17/18	310,000.00	5.875%			
			7-15-19/21	310,000.00	6.000%			
			7-15-22/26	360,000.00	6.000%	4,760,000.00	10,000.00	4,750,000.00

EXHIBIT C-8
Continued)

SCHEDULE OF GENERAL CAPITAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2001 Date	Amount	Interest Rate	Balance Dec. 31, 2000	Reduced in 2001	Balance Dec. 31, 2001
General Obligation Bonds (R)	10-1-98	2,100,000.00	10-1-2002	50,000.00	5.90%			
			10-1-2003/08	75,000.00	5.90%			
			10-1-2009/10	75,000.00	6.00%			
			10-1-2011/21	100,000.00	6.00%			
			10-1-2022/23	100,000.00	6.10%	2,000,000.00	50,000.00	1,950,000.00
General Obligation Bonds	10-1-98	4,400,000.00	10-1-2002/03	175,000.00	4.30%			
			10-1-2004/06	200,000.00	4.30%			
			10-1-2007/09	250,000.00	4.30%	1,875,000.00	175,000.00	1,700,000.00
CCIA - Revenue Bonds (R)	9-1-99	1,300,000.00	9-1-02/03	45,000.00	5.85%			
			9-1-04/06	50,000.00	5.85%			
			9-1-07/08	55,000.00	5.85%			
			9-1-2009	60,000.00	5.85%			
			9-1-10/11	65,000.00	5.85%			
			9-1-2012	70,000.00	5.85%			
			9-1-2013	75,000.00	5.85%			
			9-1-14/15	80,000.00	5.85%			
			9-1-2016	85,000.00	5.85%			
			9-1-2017	90,000.00	5.85%			
			9-1-2018	95,000.00	5.85%			
			9-1-2019	100,000.00	5.85%	1,260,000.00	45,000.00	1,215,000.00
						13,312,807.41	522,888.89	12,789,918.52
					Ref.	C		C

R - Redevelopment Bonds

EXHIBIT C-9

SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2000	Increased in 2001	Decreased in 2001	Balance Dec. 31, 2001
1195	Acquisition of Real Estate	9-29-99	12-27-01	5-27-02	2.50%	2,200,000.00	4,400,000.00	4,400,000.00	2,200,000.00
1214	Various Capital Improvements	6-6-00	12-27-01	5-27-02	2.50%	361,000.00	722,000.00	722,000.00	361,000.00
1216	Senior Citizen Center	6-6-00	12-27-01	5-27-02	2.50%	570,000.00	1,140,000.00	1,140,000.00	570,000.00
1222	Acquisition of Real Estate	11-2-00	11-1-01	11-1-02	3.00%	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
1266	Various Capital Improvements	11-8-01	11-8-01	5-20-02	2.22%		152,000.00		152,000.00
						4,131,000.00	7,414,000.00	7,262,000.00	4,283,000.00
					Ref.	C	C-2	C-2	C

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	2001 Authorizations	Notes Issued	Balance Dec. 31, 2001
1160	Various Capital Improvements	3,295.00			3,295.00
1266	Various Capital Improvements		152,000.00	152,000.00	
		3,295.00	152,000.00	152,000.00	3,295.00
	Ref.		C-7	C-9	

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY FUND CASH - TREASURER

	Ref.	Operating		Capital	
Balance December 31, 2000	D		516,890.64		74,184.28
Increased by Receipts:					
Consumer Accts. Receivable	D-8	1,342,728.34			
Water Liens Receivable	D-9	2,165.64			
Water Rent Overpayments	D	5,031.71			
Miscellaneous	D-3	59,180.34		4,771.22	
Due Water Operating Fund	D-5	5,424.87			
Due Water Capital Fund				17,800.20	
Bond Anticipation Note	D-18			558,000.00	
			1,414,530.90		580,571.42
			1,931,421.54		654,755.70
Decreased by Disbursements:					
2001 Budget Appropriations	D-4	1,224,165.54			
2000 Appropriation Reserves	D-12	71,181.24			
Encumbrances Payable	D-13	6,268.02		11,579.05	
Interest on Bonds	D-14	103,492.06			
Improvement Authorizations	D-16			233,039.11	
Due Water Capital Fund	D-5				
Due Water Utility Operating Fund	D-5			5,424.87	
			1,405,106.86		250,043.03
Balance December 31, 2001	D		526,314.68		404,712.67

EXHIBIT D-6

SCHEDULE OF WATER UTILITY FUND CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2001	D-5	508,514.48	404,712.67
Increased by Receipts:			
Cash Receipts Record		614,533.96	580,930.67
		1,123,048.44	985,643.34
Decreased by Disbursements:			
Cash Disbursements Record		636,015.97	923,604.48
Balance May 31, 2002	D-6	487,032.47	62,038.86

Cash Reconciliation - May 31, 2002

	Ref.	Operating	Capital
Balance per Statement			
1st Colonial National Bank		491,503.20	62,038.86
Add: Deposit in Transit		1,469.82	
		492,973.02	62,038.86
Less: Outstanding Checks		5,940.55	
Balance May 31, 2002	D-6	487,032.47	62,038.86

ANALYSIS OF WATER UTILITY CAPITAL CASH

	Balance Dec. 31, 2000	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2001
Fund Balance	347.51							347.51
Capital Improvement Fund	6,305.90						20,000.00	26,305.90
Due Water Utility Operating Fund	(17,800.20)		22,571.42		5,424.87	20,000.00		(20,653.65)
Encumbrances Payable	11,579.05				11,579.05		14,210.00	14,210.00
Improvement Authorizations:								
1025 Acquisition and Various Improvements to the Water Supply System	21,850.78			12,767.05				9,083.73
1115 Various Improvements	33,888.21			9,972.00				23,916.21
1163 Various Capital Improvements	18,013.03			3,799.36		14,210.00		3.67
1258 Water Utility Improvements		558,000.00		206,500.70				351,499.30
	74,184.28	558,000.00	22,571.42	233,039.11	17,003.92	34,210.00	34,210.00	404,712.67
Ref.	D	D-18	D-5	D-16	D-5			D

EXHIBIT D-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER

	Ref.		
Balance December 31, 2000	D		112,356.03
Increased by:			
Water Rents Levied			1,352,039.44
			1,464,395.47
Decreased by:			
Collections	D-5	1,342,728.34	
Transfer to Liens	D-9	2,455.79	
Canceled		9,403.85	
Overpayments Applied		7,930.73	
			1,362,518.71
Balance December 31, 2001	D		101,876.76

EXHIBIT D-9

SCHEDULE OF WATER LIENS

	Ref.		
Balance December 31, 2000	D		1,748.92
Increased by:			
Transfers from Consumer Accounts Receivable	D-8	2,455.79	
Interest and Costs per Sale of December 20, 2001		57.91	
			2,513.70
			4,262.62
Decreased by:			
Collections	D-5		2,165.64
Balance December 31, 2001	D		2,096.98

SCHEDULE OF FIXED CAPITAL - WATER CAPITAL FUND

		Balance Dec. 31, 2000	Balance Dec. 31, 2001
Intangible Plant:			
Organization		10,996.82	10,996.82
Source of Supply Plant:			
Land & Land Rights		29,769.00	29,769.00
Wells & Springs		643,187.27	643,187.27
Supply Mains		83,469.00	83,469.00
Pumping Plant:			
Structures & Improvements		186,679.92	186,679.92
Electric Pumping Equipment		88,093.27	88,093.27
Diesel Pumping		28,907.79	28,907.79
Water Treatment Plant:			
Structures & Improvements		527,494.85	527,494.85
Water Treatment Equipment		90,376.50	90,376.50
Transmission & Distribution Plant:			
Structures & Improvements		265,970.63	265,970.63
Distribution Reservoirs & Standpipes		772,224.79	772,224.79
Transmission & Distribution Mains		827,854.22	827,854.22
Services		100,371.10	100,371.10
Meters		247,389.70	247,389.70
Meter Installation		44,354.00	44,354.00
Hydrants		50,632.51	50,632.51
General Plant:			
Land & Land Rights		7,292.12	7,292.12
Structures & Improvements		72,811.06	72,811.06
Office Furniture & Equipment		9,748.04	9,748.04
Transportation Equipment		3,759.81	3,759.81
Other General Equipment		3,494.66	3,494.66
Water Plant		260,000.00	260,000.00
		4,354,877.06	4,354,877.06
	Ref.	D	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED - WATER

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2000	2001 Authorizations Deferred Charges to Future Revenue	Balance Dec. 31, 2001
1025	Acquisition & Various Improvements to the Water Supply System	2-1-93	880,000.00	847,865.61		847,865.61
1068	Water Treatment Improvements	1-17-95	95,000.00	95,000.00		95,000.00
1115	Various Improvements	1-21-97	715,000.00	715,000.00		715,000.00
1163	Various Capital Improvements	8-3-98	410,000.00	410,000.00		410,000.00
					580,000.00	580,000.00
				2,067,865.61	580,000.00	2,647,865.61
			Ref.	D	D-16	D

EXHIBIT D-12

SCHEDULE OF 2000 APPROPRIATION RESERVES - WATER

		Balance Dec. 31, 2000	Paid or Charged	Balance Lapsed
Operating:				
Salary & Wages		17,008.77		17,008.77
Other Expenses		71,856.46	71,181.24	675.22
Social Security		2,408.06		2,408.06
		91,273.29	71,181.24	20,092.05
	Ref.	D	D-5	D-1

EXHIBIT D-13

SCHEDULE OF ENCUMBRANCES PAYABLE - WATER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2000	D	6,268.02	11,579.05
Increased by:			
Charges to 2001 Appropriations	D-4	14,463.34	
Charges to Improvement Authorizations	D-16		14,210.00
		20,731.36	25,789.05
Decreased by:			
Payments	D-5	6,268.02	11,579.05
Balance December 31, 2001	D	14,463.34	14,210.00

EXHIBIT D-14

SCHEDULE OF ACCRUED INTEREST ON BONDS AND ANALYSIS OF BALANCE - WATER

	Ref.	
ce December 31, 2000	D	35,724.19
ısed by:		
get Appropriation for:		
:erest on Bonds	D-4	100,257.48
		135,981.67
:ased by:		
rest Paid	D-5	103,492.06
ce December 31, 2001	D	32,489.61

Analysis of Accrued Interest December 31, 2001

Principal Outstanding	Interest Rate	From	To	Period	Amount
1,008,311.11	Var.	8-1-01	12-31-01	5 Months	21,769.61
985,000.00	Var.	10-1-01	12-31-01	3 Months	10,720.00
					32,489.61

EXHIBIT D-15

SCHEDULE OF CAPITAL IMPROVEMENT FUND - WATER

	Ref.	
ce December 31, 2000	D	6,305.90
ısed by:		
get Appropriation		20,000.00
ce December 31, 2001	D	26,305.90

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - WATER CAPITAL

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2000 Funded	2001 Authorization Deferred Charges to Future Revenue	Paid or Charged	Encumbered	Balance Dec. 31, 2001 Funded	Balance Dec. 31, 2001 Unfunded
1025	Acquisition & Various Improvements to the Water Supply Sys.	2-1-93	880,000.00	21,850.78		12,767.05		9,083.73	
1115	Various Improvements	1-21-97	715,000.00	33,888.21		9,972.00		23,916.21	
1162	Various Capital Improvements	8-3-98	410,000.00	18,013.03		3,799.36	14,210.00	3.67	
1258	Water Utility Improvements	7-2-01	580,000.00		580,000.00	206,500.70			373,499.30
				73,752.02	580,000.00	233,039.11	14,210.00	33,003.61	373,499.30
			Ref.	D	D-19	D-5	D-13	D	D

SCHEDULE OF WATER SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2001 Date	Maturities of Bonds Outstanding Dec. 31, 2001 Amount	Interest Rate	Balance Dec. 31, 2000	Decreased	Balance Dec. 31, 2001
Water Bonds of 1993	8-1-93	1,470,000.00	8-1-02	67,511.11	5.10%	1,073,644.44	65,333.33	1,008,311.11
			8-1-03	69,688.89	5.10%			
			8-1-04	71,866.67	5.10%			
			8-1-05	74,044.44	5.10%			
			8-1-06	76,222.22	5.10%			
			8-1-07	80,577.78	5.10%			
			8-1-08	84,933.33	5.15%			
			8-1-09	89,288.89	5.20%			
			8-1-10	93,644.44	5.25%			
			8-1-11/13	100,177.78	5.30%			
Water Bonds of 2000	10-1-98	1,090,000.00	10-1-2002/06	45,000.00	4.30%	1,020,000.00	35,000.00	985,000.00
			10-1-2007/10	50,000.00	4.30%			
			10-1-2011/13	70,000.00	4.30%			
			10-1-2014	70,000.00	4.35%			
			10-1-2015	70,000.00	4.40%			
			10-1-2016	70,000.00	4.45%			
			10-1-2017	70,000.00	4.50%			
			10-1-2018	70,000.00	4.55%			
						2,093,644.44	100,333.33	1,993,311.11
					Ref.	D		D

EXHIBIT D-18

SCHEDULE OF WATER BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Increased in 2001	Balance Dec. 31, 2001
1258	Water Utility Improvements	11/8/01	11/8/01	5/20/02	2.22%	558,000.00	558,000.00
					Ref.	D-5	D

EXHIBIT D-19

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
WATER CAPITAL FUND

Ordinance Number	Improvement Description	2001 Authorizations	Notes Issued	Balance Dec. 31, 2001
1258	Water Utility Improvements	580,000.00	558,000.00	22,000.00
		D-16	D-18	

SEWER UTILITY FUND

EXHIBIT E-5

SCHEDULE OF SEWER UTILITY FUND CASH - TREASURER

	Ref.	Operating		Capital	
Balance December 31, 2000	E		221,476.12		618,479.29
Increased by Receipts:					
Consumer Accts. Receivable	E-8	897,065.57			
Sewer Liens	E-9	1,417.84			
Sewer Rent Overpayments		1,159.65			
Miscellaneous	E-3	19,653.66		36,718.51	
NJ Wastewater Treatment Trust	E-19			823,179.00	
Due from Sewer Capital Fund	E-5	49,307.88			
Petty Cash		100.00			
			968,704.60		859,897.51
			1,190,180.72		1,478,376.80
Decreased by Disbursements:					
2001 Budget Appropriations	E-4	773,783.05			
2000 Appropriation Reserves	E-12	10,897.91			
Encumbrances Payable	E-13	3,122.37			
Interest on Bonds	E-14	103,447.32			
Bond Anticipation Notes	E-18			855,000.00	
Improvement Authorizations	E-16			534,439.56	
Due Sewer Utility Operating Fund	E-5			49,307.88	
			891,250.65		1,438,747.44
Balance December 31, 2001	E		298,930.07		39,629.36

SCHEDULE OF SEWER UTILITY FUND CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2001	E-5	298,930.07	39,629.36
Increased by Receipts:			
Cash Receipts Record		734,239.23	1,054,563.22
		1,033,169.30	1,094,192.58
Decreased by Disbursements:			
Cash Disbursements Record		806,451.08	825,148.55
Balance May 31, 2002	E-6	226,718.22	269,044.03

Cash Reconciliation - May 31, 2002

	Ref.	Operating	Capital
Balance per Statement			
1st Colonial National Bank		225,937.01	269,044.03
Add: Deposit in Transit		781.21	
Balance May 31, 2002	E-6	226,718.22	269,044.03

ANALYSIS OF SEWER UTILITY CAPITAL CASH

		Receipts		Disbursements			Transfers		
	Balance Dec. 31, 2000	NJ Wastewater Trmt. Trust Loan	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	Balance Dec. 31, 2001
Fund Balance	3,540.58								3,540.58
Capital Improvement Fund	51,250.00						62,970.00	45,000.00	33,280.00
Due Sewer Utility Operating Fund	11,998.79		36,718.51			49,307.88	45,000.00		(45,590.58)
Encumbrances Payable								84,243.27	84,243.27
Improvement Authorizations:									
Ordinance									
Number									
1116 Replacement of Sewer Main	6,776.34								6,776.34
1163 Construction of Sewer Lines	6,721.73								6,721.73
1224 Construction of Sewer Collection Lines	538,191.85	823,179.00		534,439.56	855,000.00		21,273.27		(49,341.98)
1270 Acquisition of Backhoe							62,970.00	62,970.00	
	618,479.29	823,179.00	36,718.51	534,439.56	855,000.00	49,307.88	192,213.27	192,213.27	39,629.36
Ref.	E	E-19	E-5	E-16	E-18	E-5			E

EXHIBIT E-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER

	Ref.		
Balance December 31, 2000	E		32,601.51
Increased by:			
Sewer Rents Levied			897,858.50
			930,460.01
Decreased by:			
Collections	E-5	897,065.57	
Overpayments Applied		1,271.94	
Canceled		8,271.81	
Transferred to Liens	E-9	1,234.51	
			907,843.83
Balance December 31, 2001	E		22,616.18

EXHIBIT E-9

SCHEDULE OF SEWER LIENS

	Ref.		
Balance December 31, 2000	E		1,280.90
Increased by:			
Transfers from Consumer Accounts Receivable	E-8	1,234.51	
Interest & Costs of Sale Dated Dec. 20, 2001		42.79	
			1,277.30
			2,558.20
Decreased by:			
Collections	E-5		1,417.84
Balance December 31, 2001	E		1,140.36

SCHEDULE OF FIXED CAPITAL - SEWER CAPITAL FUND

		Balance Dec. 31, 2000	Balance Dec. 31, 2001
Pumping Station		18,124.86	18,124.86
Sewer Extension Pumping Station		14,188.75	14,188.75
Lower Level Sewer		5,172.35	5,172.35
Sewer Extension		1,470.10	1,470.10
Maple Avenue Sewer		122,328.47	122,328.47
Extension and Improvement to:			
Sewer Plant		294,789.45	294,789.45
Chlorinator		744.00	744.00
Manholes		937.16	937.16
Sewer Mains		16,564.51	16,564.51
General Equipment		5,748.67	5,748.67
Plant Equipment		10,105.73	10,105.73
Vineyard Extension		36,271.47	36,271.47
Transportation Equipment		772.20	772.20
Sewer Treatment Plant & Relief Sanitary Sewers		320,379.96	320,379.96
Construction of Sanitary Truck System - South Cooper River Drive & Const. of Sewerage Pumping Station at Garfield & Hillcrest Avenue		113,300.85	113,300.85
Construction of Sanitary Collecting Sewers, Sewer Pumping Station and Additions to Sewerage Treatment Plant		545,104.23	545,104.23
Garage		1,500.00	1,500.00
Reconstruction of Cedar Ave. - Sanitary Sewer, Diesel Bldg. - Cattell Avenue & Newton Creek, Piping & Floater Cover for Digestion Tank		15,000.00	15,000.00
Reconstruction of Portions of Sewerage Treatment Plant on Newton Ave. Between Catell Ave. & Comley Ave, Purch. of Equip. to Determine cause of Ground Water Infiltration, Const. of Sewer Manholes & Traps		421,236.87	421,236.87
		1,943,739.63	1,943,739.63
	Ref.	E	E

EXHIBIT E-11

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED - SEWER

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2000	2001 Authorizations Deferred Charges to Future Revenue	Balance Dec. 31, 2001
1116	Replacement of Sewer Main	1-21-97	900,000.00	900,000.00		900,000.00
1163	Construction of Sewer Lines	8-3-98	280,000.00	280,000.00		280,000.00
1224	Construction of Sewer Collection Lines	7-17-00	1,050,000.00	1,050,000.00		1,050,000.00
1259	Sewer Utility Improvements	7-2-01	590,000.00		590,000.00	590,000.00
				2,230,000.00	590,000.00	2,820,000.00
			Ref.	E	E-16	E

EXHIBIT E-12

SCHEDULE OF 2000 APPROPRIATION RESERVES - SEWER

	Balance Dec. 31, 2000	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salary & Wages	68.28	68.28		68.28
Other Expenses	15,305.33	15,305.33	10,897.91	4,407.42
Social Security	0.48	0.48		0.48
	15,374.09	15,374.09	10,897.91	4,476.18
Ref.	E		E-5	E-1

EXHIBIT E-13

SCHEDULE OF ENCUMBRANCES PAYABLE - SEWER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2000	E	3,122.37	
Increased by:			
Charges to 2001 Appropriations	E-4	14,017.14	
Charges to Improvement Authorizations	E-16		84,243.27
		17,139.51	84,243.27
Decreased by:			
Payments	E-5	3,122.37	
Balance December 31, 2001	E	14,017.14	84,243.27

EXHIBIT E-14

SCHEDULE OF ACCRUED INTEREST ON BONDS & NOTES AND ANALYSIS OF BALANCES - SEWER

	Ref.	
Balance December 31, 2000	E	15,754.73
Increased by:		
Budget Appropriation for:		
Interest on Bonds & Notes	E-4	117,948.56
		133,703.29
Decreased by:		
Interest Paid	E-5	103,447.32
Balance December 31, 2001	E	30,255.97

Analysis of Accrued Interest December 31, 2001

Principal Outstanding	Interest Rate	From	To	Period	Amount
181,770.37	Var.	08-1-01	12-31-01	5 Months	3,924.45
1,030,000.00	Var.	10-1-01	12-31-01	3 Months	11,203.75
421,300.00	Var.	08-1-01	12-31-01	5 Months	15,127.77
					30,255.97

EXHIBIT E-15

SCHEDULE OF CAPITAL IMPROVEMENT FUND - SEWER

	Ref.	
Balance December 31, 2000	E	51,250.00
Increased by:		
Budget Appropriation		45,000.00
		96,250.00
Decreased by:		
Appropriation to Finance Improvement Authorizations	E-16	62,970.00
Balance December 31, 2001	E	33,280.00

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - SEWER CAPITAL

						2001 Authorizations					
Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2000 Funded	Balance Dec. 31, 2000 Unfunded	Capital Improvement Fund	Deferred Charges to Future Revenue	Paid or Charged	Encumbered	Balance Dec. 31, 2001 Funded	Balance Dec. 31, 2001 Unfunded
1116	Replacement of Sewer Main	1-21-97	900,000.00	6,776.34						6,776.34	
1163	Construction of Sewer Lines	8-03-98	280,000.00	6,721.73						6,721.73	
1224	Construction of Sewer Collection Lines	7-17-00	1,050,000.00		733,191.85			534,439.56	21,273.27		177,479.02
1259	Sewer Utility Improvements	7-2-01	590,000.00				590,000.00				590,000.00
1270	Acquisition of Backhoe	11-5-01	62,970.00			62,970.00			62,970.00		
				13,498.07	733,191.85	62,970.00	590,000.00	534,439.56	84,243.27	13,498.07	767,479.02
			Ref.	E	E	E-15	E-11	E-5	E-13	E	E

SCHEDULE OF SEWER SERIAL BONDS

	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2001 Date	Amount	Interest Rate	Balance Dec. 31, 2000	Decreased	Balance Dec. 31, 2001
Sewer Bonds of 1993	8-1-93	265,000.00	8-1-02	12,170.37	5.10%	193,548.15	11,777.78	181,770.37
			8-1-03	12,562.96	5.10%			
			8-1-04	12,955.56	5.10%			
			8-1-05	13,348.15	5.10%			
			8-1-06	13,740.74	5.10%			
			8-1-07	14,525.93	5.10%			
			8-1-08	15,311.11	5.15%			
			8-1-09	16,096.30	5.20%			
			8-1-10	16,881.48	5.25%			
			8-1-11	18,059.26	5.25%			
			8-1-12/13	18,059.26	5.30%			
Sewer Bonds of 2000	10-1-98	1,135,000.00	10-1-02	35,000.00	4.30%	1,065,000.00	35,000.00	1,030,000.00
			10-1-2003/05	45,000.00	4.30%			
			10-1-2006/10	60,000.00	4.30%			
			10-1-2011/13	70,000.00	4.30%			
			10-1-2014	70,000.00	4.35%			
			10-1-2015	70,000.00	4.40%			
			10-1-2016	70,000.00	4.45%			
			10-1-2017	70,000.00	4.50%			
			10-1-2018	70,000.00	4.55%			
						1,258,548.15	46,777.78	1,211,770.37
						E		E

SCHEDULE OF SEWER BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2000	Reduced in 2001
1224	Construction of Sewer Collection Lines	6-6-00	1-5-01	1-4-02	4.72%	855,000.00	855,000.00
					Ref.	E	E-5

EXHIBIT E-19

SCHEDULE OF NJ WASTEWATER TREATMENT TRUST LOAN

	Ref.	Trust Loan	Fund Loan	Total
Increased by:				
Receipts	E-5	421,300.00	401,879.00	823,179.00
Decreased by:				
Principal Payments			14,221.93	14,221.93
Balance December 31, 2001	E	421,300.00	387,657.07	808,957.07

EXHIBIT E-20

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
SEWER CAPITAL FUND

Ordinance Number	Improvement Description	Balance Dec. 31, 2000	2001 Authorizations	Loan Issued	Notes Paid from Loan Issued	Balance Dec. 31, 2001
1163	Construction of Sewer Collection Lines	195,000.00		823,179.00	855,000.00	226,821.00
1259	Sewer Utility Improvements		590,000.00			590,000.00
		195,000.00	590,000.00	823,179.00	855,000.00	816,821.00
			E-16	E-19	E-18	

PUBLIC ASSISTANCE FUND

EXHIBIT F-1

SCHEDULE OF PUBLIC ASSISTANCE FUND CASH - TREASURER

	Ref.		
Balance December 31, 2000	F		3,669.34
Increased by Receipts:			
Interest Earned			76.01
			3,745.35
Decreased by:			
Interfunds Transferred to Current		76.01	
Close Account to Current Fund		3,669.34	
			3,745.35

PAYROLL

EXHIBIT G-1

SCHEDULE OF PAYROLL CASH - TREASURER

	Ref.		
Balance December 31, 2000	G		85,272.58
Increased by Receipts:			
Deposits for Net Salaries		3,019,511.73	
Interest Earned		825.54	
Deposits for Payroll Taxes Withheld		1,674,897.05	
Deposits for Employer Payroll Taxes		1,305,986.78	
Due from Current Fund		1,797.48	
			6,003,018.58
			6,088,291.16
Decreased by:			
Net Payroll Disbursed		3,019,511.73	
Payroll Taxes Paid		3,016,860.91	
Due Current Fund		825.54	
			6,037,198.18
Balance December 31, 2001	G		51,092.98

Analysis of Balances

State Withholding	9,188.78
Unemployment/Disability	532.38
Pension	37,643.89
Insurance	310.67
Dues	1,753.03
Savings Bonds	450.00
HESSA	56.00
Due Current Fund	1,158.23
	51,092.98

EXHIBIT G-2

SCHEDULE OF PAYROLL CASH AND RECONCILIATION PER N.J.S.A. 40A:5-5 - TREASURER

	Ref.	
Balance December 31, 2001	G-1	51,092.98
Increased by Receipts:		
Cash Receipts Record		2,606,951.67
		2,658,044.65
Decreased by Disbursements:		
Cash Disbursements Record		2,602,213.02
Balance May 31, 2002	G-2	55,831.63

Cash Reconciliation - May 31, 2002

Balance per Statement		
1st Colonial National Bank		65,457.19
Less: Outstanding Checks		9,625.56
Balance May 31, 2002	G-2	55,831.63

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND FINDINGS AND QUESTIONED COSTS

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY STATE TREASURY CIRCULAR LETTER 98-07 OMB

Honorable Mayor and Members
of the Board of Commissioners
Borough of Collingswood
County of Camden, New Jersey

Compliance

We have audited the compliance of the Borough of Collingswood with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the provisions of the New Jersey *State Aid/Grant Compliance Supplement* Circular Letter 98-07 OMB, that are applicable to each of its major federal and state programs for the year ended December 31, 2001. As described in Note 1, the Borough of Collingswood prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The Borough of Collingswood's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Borough of Collingswood's management. Our responsibility is to express an opinion on the Borough of Collingswood's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* audit requirements as prescribed by the State of New Jersey; and the provisions of the New Jersey State Treasury Circular Letter 98-07 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*". Those standards, OMB Circular A-133 and the New Jersey State Treasury Circular Letter 98-07-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the

Borough of Collingswood's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Collingswood's compliance with those requirements.

In our opinion, the Borough of Collingswood complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2001.

Internal Control Over Compliance
The management of the Borough of Collingswood is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Borough of Collingswood's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 98-07.

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

This report is intended solely for the information and use of the governing body, management, others within the organization, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES

Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant # 252
June 19, 2002

SCHEDULE 1

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2001

Name of Agency or Department/Name of Program	CFDA Number	Other Identifying Number	Program Amount	Funds Received	Grant Period From	Grant Period To	Amount of Expenditures
Department of Justice:							
Local Law Enforcement Block Grant	16.592	01LBBX3247	15,857.00	14,271.00	10/1/01	9/30/02	6,136.45
Local Law Enforcement Block Grant	16.592	00LBBX3247	33,781.00		10/1/00	9/30/01	11,602.14
COPS in School	N/A	NJ00411	125,000.00		4/1/00	3/31/03	39,589.94
Occupant Protection Grant	N/A	1160-116-YHTS-6120	13,520.00	4,800.00	1/1/00	9/30/00	1,080.00
Occupant Protection Grant	N/A	1160-116-YHTS-6120	13,137.00	8,414.14	1/1/01	12/31/01	11,414.14
Department of Emergency Management							
Hazard Mitigation Grant	83.548	DR12950014	2,324,384.00	2,233,072.00	4/4/01	11/15/01	2,321,499.71
			2,525,679.00	2,260,557.14			2,391,322.38

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2001

State Funding Department/Program	State Grant Number	Program Amount	Funds Received	Grant Period From	Grant Period To	Amount of Expenditures
Department of Community Affairs						
Municipal Alliance on Alcoholism & Drug Abuse	N/A	15,650.00	7,332.00	1/1/00	12/31/00	4,052.21
		15,650.00	11,233.00	1/1/01	12/31/01	7,420.34
Clean Communities	4900-765-042-4900-004-VCMC-6020	21,400.00	21,400.00	1/1/01	12/31/01	21,400.00
Recycling Tonnage	4900-752-042-4900-001-VREV-6020	7,288.89	7,288.89	1/1/01	12/31/01	
Special Purpose Grant - Richey Avenue	N/A	500,000.00	500,000.00	7/1/01	6/30/02	447,025.00
Department of Housing and Urban Development						
Neighborhood Preservation	8020-100-022-8020-092-F301-6020	125,000.00	101,192.00	7/1/99	12/31/04	175,815.58
Department of Transportation						
Drunk Driving Enforcement Fund	1110-448-031020-60	1,496.62	882.92	1/1/01	12/31/01	1,398.84
		1,753.63		1/1/00	12/31/00	660.08
		2,183.45		1/1/99	12/31/99	38.93
New Jersey Transportation Trust Fund Authority Act	6320-480-078-6320-Z50-TCAP-6010	150,000.00		1/1/00	12/31/00	
		102,000.00	25,500.00	1/1/99	12/31/99	
		40,000.00		1/1/01	12/31/01	32,732.88
		140,000.00	96,716.63	1/1/01	12/31/01	132,632.86
Department of Law and Public Safety						
Safe and Secure Program	1020-100-066-1020-232-YCJS-6120	90,000.00	90,000.00	6/1/01	5/30/02	90,000.00
		90,000.00	60,000.00	6/1/00	5/30/01	
Body Armor	1020-718-066-1020-001-YCJS-6120	3,031.52		1/1/01	12/31/01	3,031.52
Aggressive Drivers	1020-100-066-1160-098-YHTS-6020	9,600.00	9,400.00	11/1/00	9/30/01	9,400.00
		15,900.00	40.00	11/1/99	9/30/00	40.00
			930,985.44			925,648.24

BOROUGH OF COLLINGSWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2001

NOTE A: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Borough of Collingswood and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey Circular Letter 98-07-OMB. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2001

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		Unqualified
Internal control over financial reporting:		
1) Material weakness(es) identified?	X yes	___ no
2) Reportable condition(s) identified that are not considered to be material weaknesses?	X yes	___ none reported
Noncompliance material to general-purpose financial statements noted?	___ yes	X no

Federal Awards

Internal Control over major programs:		
1) Material weakness(es) identified?	___ yes	X no
2) Reportable condition(s) identified that are not considered to be material weaknesses?	___ yes	X none reported
Type of auditor's report issued on compliance for major programs:		Unqualified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	___ yes	X no

Identification of major programs:

CFDA or Other Identifying Number(s)	Name of Federal Program or Cluster
83.548	Hazard Mitigation Grant

Dollar threshold used to distinguish between type A and type B programs:		$300,000
Auditee qualified as low-risk auditee?	___ yes	X no

SCHEDULE 4
(Continued)

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2001

Section I - Summary of Auditor's Results (continued)

State Awards

Internal Control over major programs:

1) Material weakness(es) identified? ______ yes __X__ no

2) Reportable condition(s) identified that are not considered to be material weaknesses? ______ yes __X__ none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? ______ yes __X__ no

Identification of major programs:

CFDA or Other Identifying Number(s)	Name of Federal Program or Cluster
N/A	Special Purpose Grant
1020-100-066-1020-232-YCJS-6120	Safe & Secure

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? ______ yes __X__ no

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2001

Section II – Financial Statement Findings

01-1 Local Public Contract Law

Condition: Quotes were not obtained for two items in excess of the quote threshold.

Criteria: At least two competitive quotes are required to be obtained for all contracts that exceed the quote threshold.

Effect: The Borough is not complying with N.J.S.A.40A:11-6-1.

Recommendation: Quotes be obtained for all items in excess of the quote threshold.

01-2 Local Public Contract Law

Condition: Resolutions confirming the purchase of items under state contract were not adopted by the Board of Commissioners as required by N.J.A.C.5:34-7.29.

Criteria: Contracts awarded under a State Cooperative Purchasing contract shall be made by resolution of the governing body.

Effect: The Borough is not complying with N.J.A.C.5:34-7.29.

Recommendation: A resolution be adopted confirming the purchase of items under the State Cooperative Purchasing.

01-3 Escrow Trust Fund

Condition: Statements of accounting of funds were not sent to developers in accordance with N.J.S.A.40:55D-53.2.

Criteria: The Chief Financial Officer should prepare and send to the escrow applicant a statement that includes an accounting of funds listing all deposits, interest earnings (if any), disbursements, and the cumulative balance of the escrow account. This information should be provided on a quarterly basis, if the monthly charges are $1,000 or less, or on a monthly basis if the charges exceed $1,000.

Effect: The Borough is not complying with the above referenced state statute.

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2001

Section II – Financial Statement Findings (Continued)

Recommendation: The Chief Financial Officer prepare and send to escrow applicants a statement of the accounting of funds.

01-4 Tax Sale

Condition: An analysis of balances was not maintained for the Tax Sale Redemption bank account.

Criteria: The Borough should know whose funds are on deposit in the Tax Sale Redemption account that are owed to lien holders.

Effect: Money is on deposit that is not allocated to a lien holder.

Recommendation: The Tax Collector maintain an analysis of balances for the Tax Sale Redemption bank account.

01-5 Fixed Assets

Condition: A fixed asset register is not maintained.

Criteria: A fixed asset accounting and reporting system is required by the Division of Local Government Services Technical Directive 85-2.

Effect: The Borough is not in compliance with Technical Directive 85-2.

Recommendation: A fixed asset register be maintained.

01-6 Expenditures

Condition: There were two expenditures without appropriations, an overexpenditure of a grant and an ordinance.

Criteria: Expenditures should not be paid unless sufficient funds are available.

Effect: Deferred charges are being raised in the 2002 budget.

Recommendation: The Chief Financial Officer ensure sufficient funds are available in budget line items prior to expending funds.

BOROUGH OF COLLINGSWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2001

FINANCIAL STATEMENT FINDINGS:

Finding No. 00-1

Condition

Quotes were not obtained for four items in excess of the quote threshold.

Current Status

Corrective action has not been implemented but this information will be stressed to the department heads.

Finding No. 00-2

Condition

The Tax Collectors Annual Report and List of Uncollectible Taxes was not prepared.

Current Status

Corrective action has been implemented.

Finding No. 00-3

Condition

An analysis of balances was not maintained for the Tax Sale Redemption bank account.

Current Status

Corrective action was implemented for the tax sale premiums but not the redemption account. The Tax Collector will work on preparing a list of open redemptions.

BOROUGH OF COLLINGSWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2001

Finding No. 00-4

Condition

A fixed asset accounting system has not been established in accordance with Technical Accounting Directive No. 85-2.

Current Status

Corrective action has not been implemented but the Borough is working to complete in the 2002 year.

PART II

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:11-4 states "Every contract or agreement awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

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

Eldridge Avenue	Remove Paving & Repaving
Solid Waste & Recycling	Fern Avenue
Demolition Richey Avenue	Fire Department Vehicles
Purchase Backhoe	

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11.5.

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

Our examination of expenditures did not reveal any individual payment contracts or agreement in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

N.J.S.A. 40A:11-6.1 requires that at least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount.

Quotes were not obtained for three items in excess of the quote threshold.

Resolutions confirming the purchase of items under state contract were not adopted by the Board of Commissioners as required by N.J.A.C.5:34-1.2.

Collection of Interest on Delinquent Taxes and Assessments
The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on February 5, 2001 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> WHEREAS, Chapter 104 P.L. 1965, amending R.S. 54:4-67 authorized municipalities to provide a grace period, not exceeding ten (10) days within which an installment of taxes or assessments may be received without an additional charge of interest: and
>
> WHEREAS N.J.S.A 54:4-67 also provides that a governing body may also fix a penalty to a taxpayer charged with a delinquency in excess of ten thousand dollars ($10,000.00) who fails to pay that delinquency prior to the end of the calendar year.
>
> THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Borough of Collingswood, County of Camden and State of New Jersey that pursuant to N.J.S.A.54:4-67, the rate of interest on delinquent tax installments and assessments for the year 2001 be and the same is hereby fixed at eight percent per annum on the first $1,500 of delinquency and eighteen percent per annum on any amount in excess of $1,500.
>
> BE IT FURTHER RESOLVED that for the tax year 2001, a six percent (6%) flat penalty shall be added at the end of each year for delinquencies which exceed ten thousand dollars ($10,000).
>
> BE IT FURTHER RESOLVED, that no interest be charged if payment of an installment is made within ten (10) days after the date on which same became payable.

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

Delinquent Taxes and Tax Title Liens
The last tax sale was held on December 20, 2001 and was complete.

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

Year	Number of Liens
2001	11
2000	13
1999	11

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

Verification of Delinquent Taxes and Other Charges
A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services. All notices returned were reviewed and no discrepancies were noted. A separate report will be rendered if any irregularities develop after the date of the audit.

OTHER COMMENTS
Chief Financial Officer/Treasurer
There were some noncompliance issues and weaknesses in procedures that should be corrected.

There were interfund loans existing as of year end. However, they are routinely cleared in the subsequent year.

A general ledger has been established as required by the Division of Local Government Services Technical Directive 85-3. The general ledger is the official permanent financial record of the Township which provides a summary of all financial transactions as they have been recorded in the books of original entry utilizing a "double entry" accounting system.

A fixed asset accounting and reporting system has not been established as required by the Division of Local Government Services Technical Directive 85-2. Fixed assets comprise the most significant investment of the Borough, therefore, it is important that these assets are properly safeguarded. A system for maintaining and verifying fixed assets can provide these safeguards as well as provide valuable management information. The fixed assets of the municipality were identified and tagged. However, no historical or estimated historical cost was computed for those assets.

An encumbrance accounting system has been established as required by the Division of Local Government Services Technical Directive 85-1. An encumbrance accounting system must be designed to record charges against amounts appropriated for other expenses as financial obligations are entered into, as opposed to when bills are actually rendered or paid.

The Trust-Other account contains funds received for Senior Center Rents that should not be accounted for in the Trust Fund. A new revenue source was put into the 2002 budget to correct this issue.

There were two expenditures without appropriations.

There was an overexpenditure of a grant and an ordinance.

Statements of accounting of funds for the escrow trust were not sent to developers in accordance with N.J.S.A.40:55D-53.2.

Tax Collector
There was a weakness in a procedure that should be corrected.

1. An analysis of balances was not maintained for the Tax Sale Redemption bank account.

Water and Sewer Operating Fund
The records maintained by the Water and Sewer Utility Operating Supervisor were found to be in good condition.

Municipal Court
The records maintained by the Court Administrator were found to be in good condition.

Borough Clerk
The records maintained by the Borough Clerk were found to be in good condition.

Construction Code Official
The records maintained by the Construction Code Official were found to be in good condition.

Corrective Action Plan
The Administrator filed a corrective action plan for the year 2000 with the Division of Local Government Services. All prior year findings were not corrected during the year 2001.

FINDINGS AND RECOMMENDATIONS

COMPLIANCE

*1. Finding: Quotes were not obtained for two items in excess of the quote threshold.

Recommendation: Quotes be obtained for all items in excess of the quote threshold as required by NJSA:40A:11.

2. Findings: Statements of accounting of funds for the escrow trust were not sent to the developers in accordance with N.J.S.A.40:55D-53.2.

Recommendation: The Chief Financial Officer prepare and send to developers a statement of the accounting of funds.

3. Finding: Resolutions confirming the purchase of items under state contract were not adopted by the Board of Commissioners as required by N.J.A.C.5:34-1.2.

Recommendation: Resolutions be adopted by the Board of Commissioners confirming the purchase of items under state contract.

REPORTABLE CONDITION

*4. Finding: An analysis of balances was not maintained for the Tax Sale Redemption bank account.

Recommendation: The Tax Collector maintain an analysis of balances for the Tax Sale Redemption account.

MATERIAL WEAKNESS

*5. Finding: A fixed asset register is not maintained. The assets were identified and tagged however, no historical or estimated historical cost has been assigned to the assets.

Recommendation: A fixed asset register be maintained.

6. Finding: There were two expenditures without appropriations, overexpenditure of a grant and an ordinance.

Recommendations: The Chief Financial Officer ensure sufficient funds are available in budget line items prior to expending funds.

* These recommendations appeared in prior reports and corrective action was not taken.

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The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express and opinion on the financial statements taken as a whole.

Should any question arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

We received the complete cooperation of all the officials of the Borough and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

PETRONI & ASSOCIATES

Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant # 252